



Assessment Report on PES Capacity

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Assessment Report on PES Capacity

2016

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The European Network of Public Employment Services was created following a Decision of the European Parliament and Council in June 2014¹. Its objective is to reinforce PES capacity, effectiveness and efficiency. This activity has been developed within the work programme of the European PES Network. For further information: <http://ec.europa.eu/social/PESNetwork>.

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¹ DECISION No. 573/2014/EU

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Headline messages

The European PES network: monitoring capacity in a changing context

This assessment report on PES capacity provides an overview of the main trends in the development of PES, linked to aspects of PES capacity and the client services they offer. This report is based on information received from 32 PES in July and August 2016. They include the EU-28 (with the three regional PES in Belgium), Iceland and Norway. This report and the complementary volume on PES implementation of the Youth Guarantee (YG) provide an information base to support the work of the European Network of PES.

A labour market context developing for the better

Many economies in Europe are showing signs of recovery. This entry into a post-crisis period is reflected in the decreasing numbers of jobseekers and the increasing number of vacancies notified to PES.

A turning point was reached in 2014 in that unemployment rates fell, and most PES have since seen the number of registered job-seeking clients decrease. During the period 2014-2016, the fall in the number of job-seeking clients was highest in Iceland, Malta and the UK, with a 36%, 49% and 45% decrease respectively, while a more modest (i.e. <10%) shift was observed in Belgium (all three PES), Germany, Spain, Luxembourg, Sweden and Slovenia.

Between 2012 and 2015, the average monthly inflow of vacancies increased significantly; by 3% in 2012/2013, 6% in 2013/2014 and finally 11% from 2014 to 2015. This information is based on 25 PES that provided data. In 2015, 200,000 more vacancies were notified to these 25 PES in aggregate each month (on average) than in 2012.

Problem of long-term unemployment persisting

One of the key factors determining the relative difficulty with which PES provide their services is the profile of their job-seeking clients and how it impacts their capacity to deal with their clients' specific needs. The labour market sub-groups of young people, long-term unemployed and older workers were all particularly affected by the crisis.

Young people profited above average from the economic recovery, while older workers profited in line with jobseekers in general. The share of long-term unemployed on the other hand dropped, but far less steeply than for other groups, from 40.1% to 37.3%. For certain PES, the problem of long-term unemployment has actually worsened. For example, between 2014 and 2016 the share of LTU amongst job-seeking clients increased for 10 PES (AT, BE-VDAB, BG, FI, FR, LU, NL, RO, SE, and SI). For two of these PES (BE-VDAB and LU), the share also increased for older workers.

In summary, during the period of 2014-2016, the overall size of the client group facing the PES (for the 32 in aggregate) was reduced as economic conditions improved and job opportunities were created. At the same time, the composition of the client group changed, with decreasing numbers in all sub-groups. Although the numbers may be less for most PES, the challenges of helping particular client groups into work remain. This concerns particularly the long-term unemployed (LTU).

Financial resources increasing again in many PES

While labour market conditions in the countries have improved (albeit to varying degrees), it has not lead to a corresponding reduction in expenditure. The trend of increasing PES budgets in 2013 and 2014 has continued in 2015 and 2016 (forecast figures). For those PES able to provide data, in 2015 10 PES reported an increase in expenditure over the course of the previous year, while in 2016 (forecasts) this number

rose to 19 PES. The highest percentage increase between 2015 and 2016 was for BE-Le Forem and Malta, and comparatively strong decreases can be observed for Denmark, Slovenia and Slovakia.

Higher amounts available for ALMPs

PES have been required to deal with changes in the nature of their client base, even though overall levels of unemployment may have fallen. Clients that have missed out on the jobs created by economic growth will be harder to place and therefore require more intensive support. This is reflected in the relative importance of the budget for ALMPs compared to staff costs, with the former increasing more than the expenditures for the latter.

Impact on human resources limited

In quantitative terms, the total staff in the 32 European PES is (collectively) nearly the same as in 2014. The number of Full-Time Equivalent (FTE) posts (excl. IE, IT, NO and PL for which not enough data were available) went from 215,442 in 2014 to 211,484 in 2015, and to 212,048 in 2016. Over the entire period, the decrease amounted to -1.6%. However, these aggregate figures mask different experiences among the individual PES.

More often PES use specialised staff for servicing target groups

The number of PES using specialised counsellors to work with specific sub-groups of jobseekers (such as young people, LTU and older workers) is steadily increasing. Only seven of the 32 PES do not use specialised counsellors for the three key customer groups, namely employers, young people and the LTU². PES dedicating staff to particular client sub-groups tend not to have changed allocations in line with corresponding changes in the size of the main client groups.

The customer group most often targeted with deployment of dedicated staff is employers, with the number of PES allocating staff exclusively to work with this group increasing from 14 to 19 between 2014 and 2016. Fewer PES have counsellors dedicated specifically for LTU clients. However counsellors dedicated to this sub group have had the steepest increase doubling from five to nine PES between 2014 and 2015. The specialised counsellors for young people have increased from 12 PES in 2014 rising to 15 PES in 2016. As table 2 demonstrates, the overall increase in specialist counselling staff is due to a small number of countries, especially Iceland and Sweden, which currently have dedicated counsellors targeting all three groups.

Dedicated counsellors are used to a lesser degree for a variety of other groups.

Caseloads varying greatly amongst PES

The variety in caseloads persists, as was noted in the previous report. This variation remains regardless of whether or not PES are responsible for the administration of benefits. Most PES saw their overall caseload decrease, increasing in 2016 an existing trend already identified in the 2015 report. The caseload increased for only five PES (CY, FI, AT, EL, and NL), in 2016 compared to 2015 and 2014.

² This information is not available for three PES.

More use of specific instruments for specific groups

All of the PES³ rely on one or more instruments specifically designed for target groups, and most use these to target three to four specific groups. Young people, LTU and older jobseekers are the main target groups of these measures, while a smaller number target disabled people.

Twenty three PES reported the introduction of new ALMPs or the amendment of existing ALMPs to better respond to current labour market conditions. In the eight remaining PES, no new developments in ALMPs were reported since the previous report. Typically, in the countries or regions concerned one or two ALMPs were introduced and/or one or two were modified. Most of the changes in ALMPs were aimed at targeting the offer towards specific client sub-groups.

Stronger emphasis on work-based ALMPs

The two dominant types of measures newly introduced for target groups were employment incentives (introduced in 14 PES) and measures providing workplace learning, work experience, and traineeships (introduced in 10 PES).

Training and employment incentives are still the main measures for helping the three client sub-groups. However, taking into account the new measures introduced since the previous report (section 4.2), a possible new trend has been detected where PES place increased emphasis on learning in measures for youth and on direct entry into employment for LTU and older workers. When comparing the 2015 and 2016 ALMP packages, those for young jobseekers increasingly focus on training, while training measures are less often found among the main ALMPs used by PES for LTU and older workers.

PES set targets for helping clients and, to a lesser extent, for the use of ALMPs

Most PES set targets for their performance in assisting jobseekers to enter (or re-enter) the labour market⁴. The exceptions are the PES in CY, ES, IE, and IT; three of which also do not set targets for specific sub-groups (IE does set targets for youth and LTU).

In total, 26 PES set some sort of targets for all jobseekers⁵. For young people, this number is only slightly fewer (24), but for LTU it is significantly fewer (17). Additionally, some PES mentioned other targets they set, such as for older workers (SI). Targets for LTU are not set in BE, CY, EL, ES, HU, IT, PT, and SK.

Targets relating to ALMPs are less common than those for agreeing an individual action plan (IAP) with jobseekers, with just 12 PES having targets for IAPs for jobseekers in general. Targets for completion of IAPs are more often found for specific target groups. For example, 18 PES formulate them for youth and 12 PES do so for LTU. Targets related to the participation of jobseekers in ALMPs usually focus on the entry into such programmes.

³ For the Dutch PES, no information was available as most of the ALMPs are administered by municipalities or implemented by private bodies.

⁴ Targets related to passive support (e.g. the provision of unemployment benefits) are not included in this. Neither are customer satisfaction targets.

⁵ It is assumed that these are usually unemployed jobseekers.

Introduction

1.1 The European PES network and its benchlearning activities

In May 2014, the Council and the European Parliament published a Decision⁶ that led to the creation of the European Network of Public Employment Services (PES) in June of that year. This formalised the longstanding cooperation between PES in Europe, going back to 1998. The network comprises 34 EU/EEA PES organisations (including the three separate services in Belgium and one each from Iceland, Liechtenstein, Norway and Switzerland). Within this network, a number of working groups have been established to pursue different themes of interest to the Heads of Public Employment Services (HoPES). One of these themes is benchlearning.

Benchlearning refers to a process that involves a systematic integrated approach linking performance measurement, or benchmarking, with mutual learning (see Decision No. 573/2014/EU). Since 2015, the network has been engaged in an ongoing series of intensive peer reviews of PES strategy and organisational setup. In addition, the network undertakes cohesive joint monitoring to obtain insight into the relationship between the efforts PES make, the context in which they operate, and their performance.

One of the unique features of this process is the attention given to organisational factors, drivers and practices that are intended or likely to influence performance. These 'performance enablers' are analysed with the help of the *Plan-Do-Check-Act* cycle, in order to arrive at a thorough understanding of the role that PES capacity plays in improving the functioning of labour markets and striving to achieve the Europe 2020 objectives.

1.2 This report

This report on PES capacity provides an overview and analysis of the main trends in the development of PES, linked to aspects of PES capacity and the client services they offer. This report, and the complementary volume on PES implementation of the Youth Guarantee (YG), provides an information base to support the work of the European Network of PES.

The report is principally based on 32 questionnaires received from European PES in July and August 2016. They include the EU-28 (with the three regional PES in Belgium), Iceland and Norway. In countries with strongly decentralised structures, the national PES supplied as much information as they were able to. This was the case in Italy and Spain, for example, where they have a highly regionalised setup, and also in countries where much of the PES activities are delivered through municipalities, such as in Denmark and the Netherlands. For these countries, the level of information at the national level they have been able to provide is limited. In Denmark, for example, there is no information available on the total number of staff in the PES, as staffing outside the national head office is determined by local jobcentres within municipalities. In Italy, the regional focus means that no information was available on the total income and expenditure for PES services.

This capacity report builds on findings from previous surveys on PES capacity and in particular the 2015 PES Capacity Report. Each PES was asked to complete a questionnaire⁷ supplying the data for this report. Whenever possible, the analysis for this

⁶ DECISION No. 573/2014/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 15 May 2014 on enhanced cooperation between Public Employment Services (PES)

⁷ The PES Capacity Report questionnaire was issued in two parts, Part 1 covered general PES activities, while Part II focused on activities for youth and in particular the implementation of the Youth Guarantee (the subject of a separate report).

report has drawn on information available through the data collection exercise, specifically developed for the PES Benchmarking project.

The report begins by providing the context in which PES operate (Chapter 2). Chapter 3 examines the resources PES have the ways in which those resources are deployed and how the PES organise their work. The final chapter (4) concentrates on the services offered to clients by the PES, in particular the Active Labour Market Policies (ALMPs) they use.

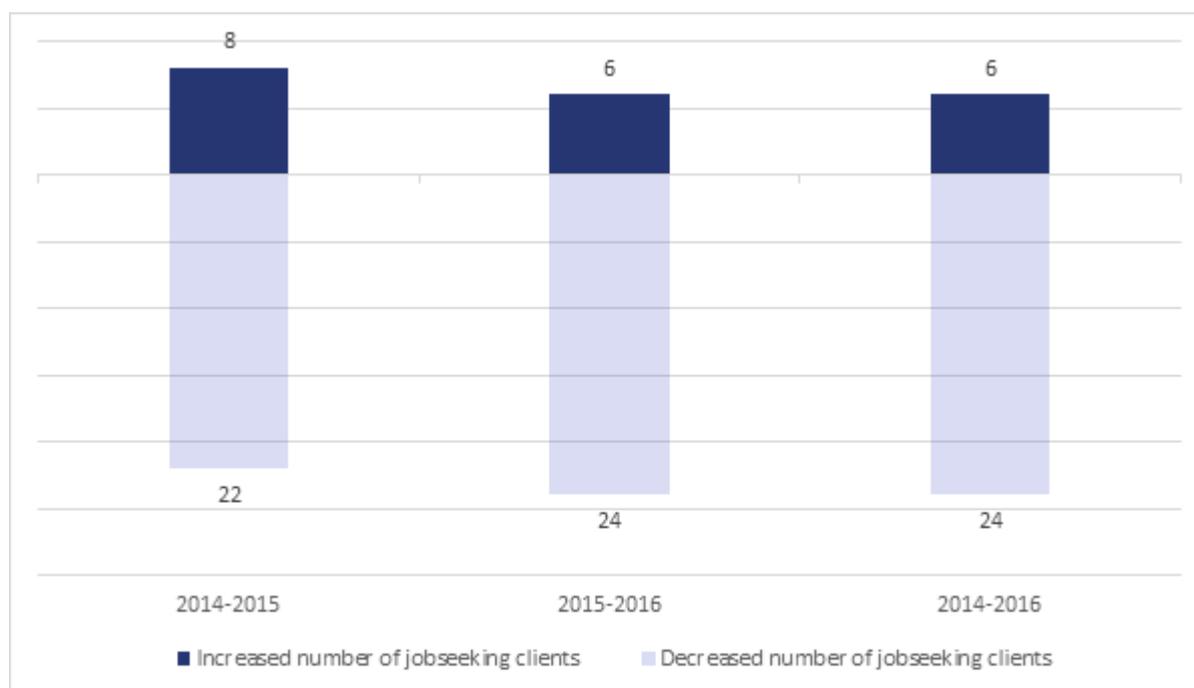
1. Context

2.1 Jobseekers

2.1.1 Numbers of job-seeking clients

Until recently, the number of unemployed people in the countries covered by the European PES Network continued on an upward trajectory, as discussed in the previous PES Capacity Report. However, the latest data show that a turning point was reached in 2014 and that most PES have since seen the number of registered job-seeking clients decrease.

Figure 1 Number of PES experiencing an increase/decrease in the number of job-seeking clients, 2014-2015, 2015-2016 and 2014-2016



Source: Responses to PES Capacity Report questionnaire 2016

Note: Job-seeking clients are persons who are registered with the PES, who are available for the labour market (i.e. persons who are not permanently ill or who are not considered "unable to work"), who are not working (neither part nor full-time) and who are, or should be, actively looking for a job. It does not matter if these persons are considered being unemployed or not according to national legislation. Exceptions: Latvian data concern registered unemployed, Poland data include registered unemployed and other jobseekers, and for the UK all figures are for claimants of jobseekers' allowance.

Note: Figures refer to the reference date April 30th of each year, except for German (middle of the month), Ireland (last Friday of the month until 2016, and last Thursday of the month from 2016).

Note: No data were available for HU (2014) and IT.

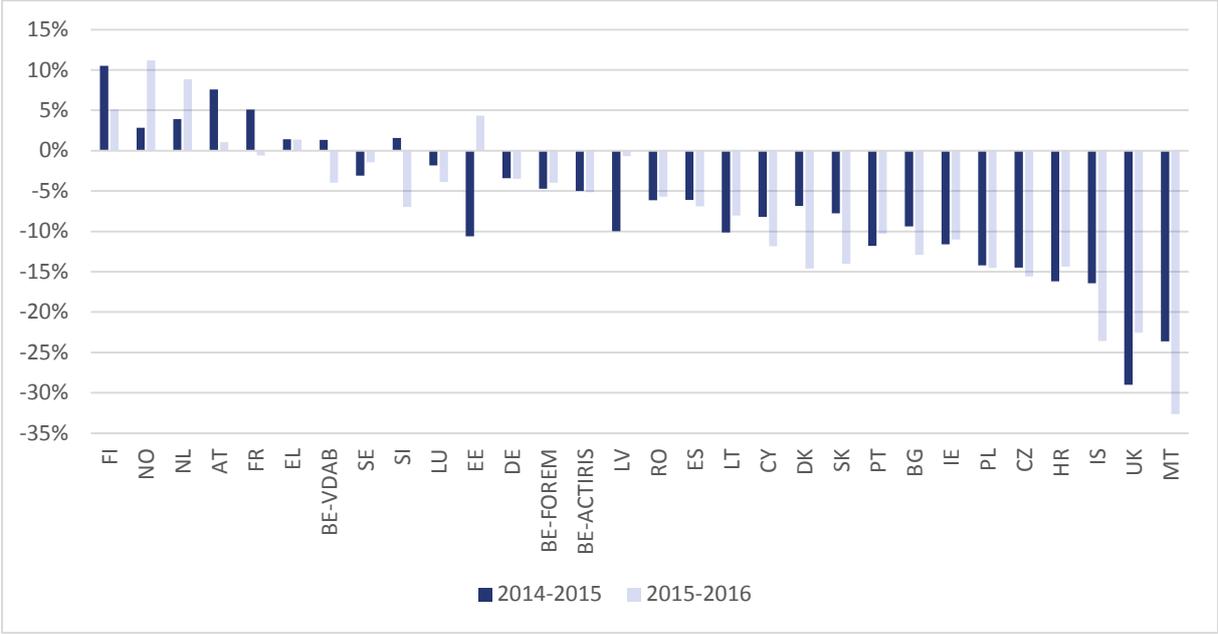
During the period 2014-2016, the fall in the number of job-seeking clients was highest in Iceland, Malta and the UK, with a 36%, 49% and 45% decrease respectively, while a more modest (i.e. <10%) shift was observed in Belgium (all three PES), Germany, Spain, Luxembourg, Sweden and Slovenia.

In Flanders (BE-VDAB), France and Slovenia the shift started later, with the number of job-seeking clients starting to decrease between 2015 and 2016. Nevertheless, for Flanders and Slovenia this decrease in the second year resulted in an overall decrease for the entire period.

In France, however, the decrease from 2015-2016 was very small, making France one of the five countries where the number of job-seeking clients continued to increase between 2014 and 2016. In Austria, the number of job-seeking clients continues to increase, but the increase for 2015-2016 (at 1%) is far smaller than for the previous period (around

8%). The Finnish PES reported a similar development, though with a less steep fall. In Norway, the number of job-seeking clients increased in both periods and much more so during the second one. Among the countries examined, only the Greek and Dutch PES seem to have faced a continuing increase in job-seeking clients. In Greece, the increase was by 1.4% in the two consecutive years. In the Netherlands, their number increased by 33,000 (4%) from 2014-2015, and to 78,000 (9%) in 2015-2016. However, the Dutch PES is only responsible for the labour market integration of unemployment insurance beneficiaries, and while their number increased it was by a much lower proportion of 3%.

Figure 2 Percentage change in number of job-seeking clients, 2014-2015 and 2015-2016, ordered by change in entire 2014-2016 period



Source: Responses to PES Capacity Report questionnaire 2016

2.1.2 Numbers of registered unemployed

It is expected that the trends in relation to registered unemployment and job-seeking clients are similar. Figure 3 shows that this is indeed the case between 2014 and 2015, but that registered unemployment was decreasing somewhat faster than the number of job-seeking clients. Twenty-five PES reported a decrease in the former, compared to 22 PES for the latter. However, the comparison is limited by the fact that data on registered unemployed is available only up to 2015. In addition, behind these figures are many factors within individual countries that qualify these overall findings.

Figure 3 Number of PES experiencing an increase/decrease in the number of job-seeking clients and registered unemployed, 2014-2015



Source: Responses to PES Capacity Report questionnaire 2016 (job-seeking clients) and PES data provided via PES data collection for the Benchmarking project, 2016 (registered unemployed, i.e. the annual average of stock of registered unemployed at the end of each month of that year, who are registered with the PES, who are available for the labour market and who are, or should be, looking for a job, excluding those on any active labour market measure).

Note: Data on registered unemployed were available up to 2015, and not for two PES (IT and UK). Registered unemployed do not include ALMP participants, as this data was only available for a smaller number of PES.

The only countries with increasing numbers of registered unemployed between 2014 and 2015 were Austria, France, Finland, Greece and Norway. These countries also saw the number of job-seeking clients increase during that period. In BE_VDAB, the Netherlands and Slovenia, increasing numbers of job-seeking clients went hand in hand with decreasing numbers of registered unemployed.

In Iceland and Malta, the number of registered unemployed decreased more rapidly than the number of job-seeking clients. The three countries with particularly large differences between the two figures are Estonia (weaker decrease in registered unemployment) and Greece and Norway (stronger increase in registered unemployment).

To a great extent, these differences reflect variations in national definitions. However, they could also be indicative of an increased use of PES services by job-changers, those already in work but looking for a new job. It could also be an indication of a more vibrant labour market where those in work are more confident in looking for a new post.

2.1.3 Jobseekers' profiles

One of the key factors determining the implementation of PES services is the profile of job-seeking clients and how it impacts PES' capacity to deal with their clients' specific needs. Certain labour market sub-groups, such as young people, long-term unemployed and older workers, were particularly affected by the crisis. For example, in 2014 four in every ten jobseekers in the EU were long-term unemployed, and while the two other sub-groups formed smaller proportions of the total, there was concern amongst policymakers that both groups might not sufficiently benefit from an economic recovery. In particular, young people may not have acquired the skills to compete with other jobseekers, while older workers may suffer from problems such as a negative perception of their ability to work. The issue facing PES was that if these groups fail to profit to the same degree as other jobseekers from the recovery, this would result in a more challenging client group to tackle, demanding more and possibly different resources.

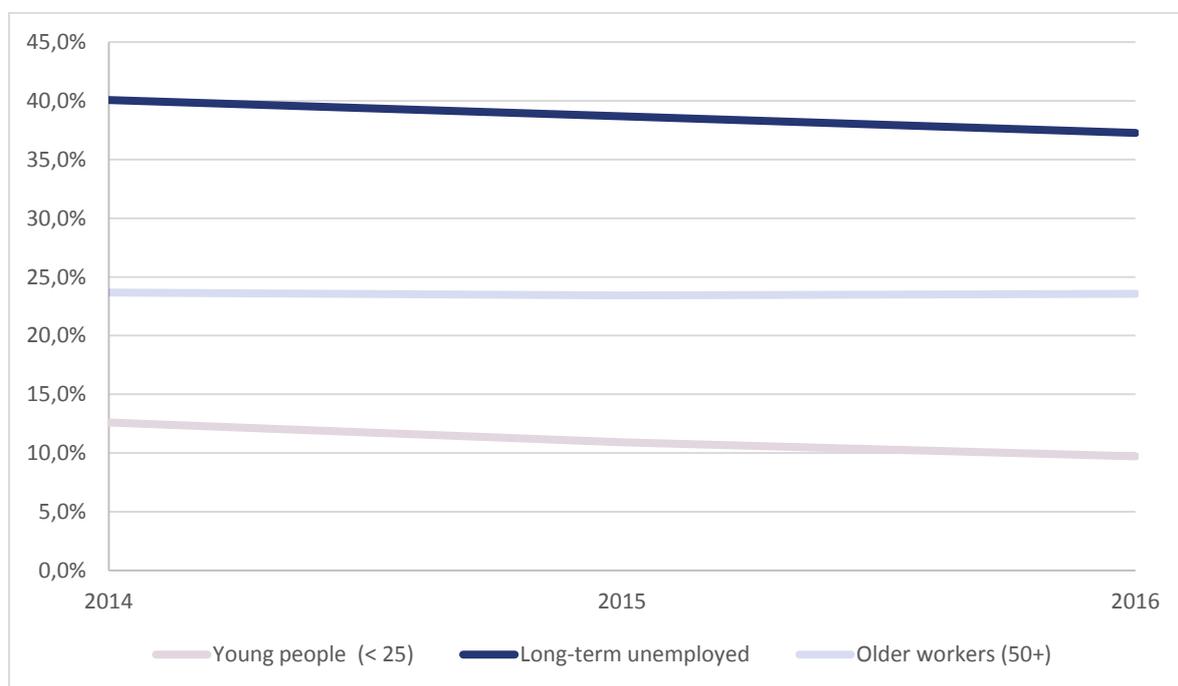
Figure 4 shows that young people in fact benefitted above average from the economic recovery. Between 2014 and 2016, their share amongst the jobseekers decreased from 12.6% to 9.7%, meaning that it is now at three-quarters of the 2014 level. The share of

long-term unemployed also dropped, but far less steeply, from 40.1% to 37.3%. The number of older workers decreased at roughly the same rate as that of all jobseekers.

For seven PES (BE-VDAB, CZ, LU, LV, MT, NL, and PL), data is also available on jobseekers with a disability or those with reduced working capacity. Their share in the total job-seeking population remained the same in 2016 or increased (BE-VDAB, CZ, MT).

In summary, over the three years 2014-2016, the overall size of the client group facing the PES reduced as economic conditions improved and job opportunities were created. At the same time, the composition of the client group changed with decreasing numbers in all sub-groups. Although the numbers may be less for most PES, the challenges of helping particular client groups into work remain.

Figure 4 Share of specific groups in total number of job-seeking clients, %, 2014-2016

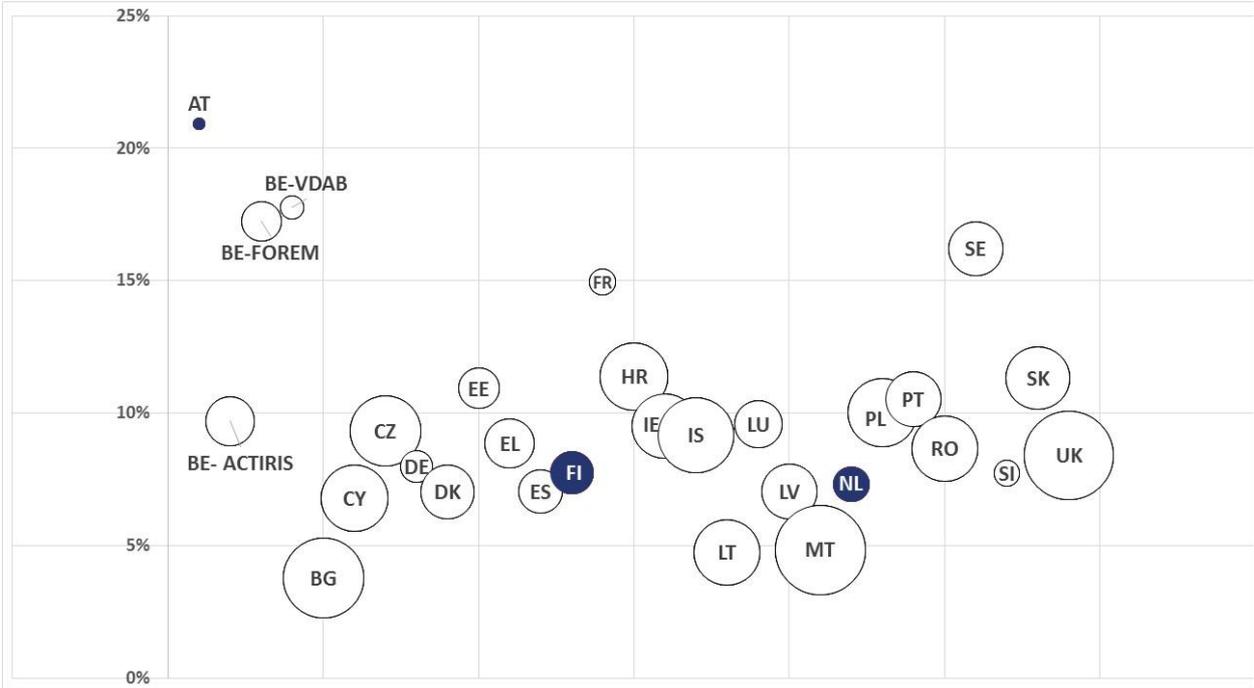


Source: Responses to PES Capacity questionnaire 2016
 Note: For older workers, no data were available for Greece and Lithuania.

Examined across the individual PES, any economic and consequential labour market improvement varied considerably. The problem of long-term unemployment in particular has actually deteriorated for some. For example, between 2014 and 2016 the share of LTU amongst job-seeking clients increased for 10 PES (AT, BE-VDAB, BG, FI, FR, LU, NL, RO, SE, SI), and for two of these PES (BE-VDAB and LU) it also increased for older workers. Austria, Finland and the Netherlands saw the share of all three client sub-groups increase among their job-seeking client populations. On the other hand, Iceland, Malta and the UK, saw their shares of all three client groups fall by significant amounts.

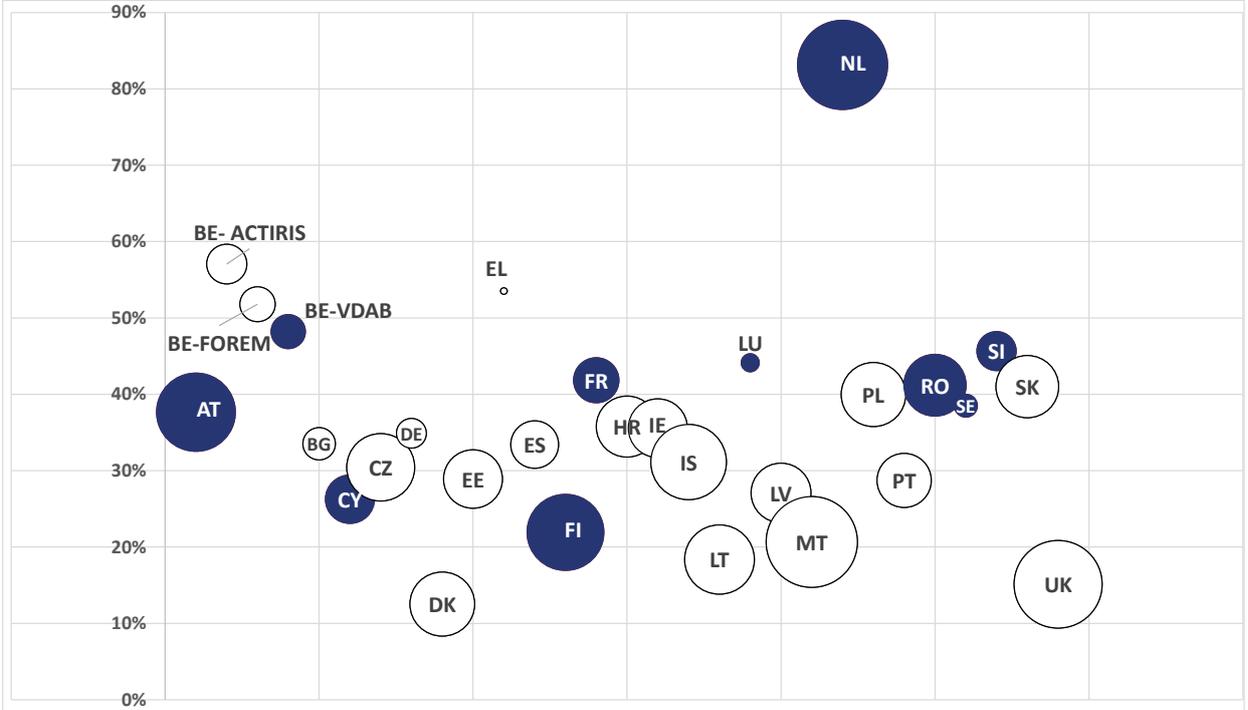
The following figures summarise these movements in client sub-groups, showing where a specific sub-group of clients increased (blue bubble) or decreased, and whether it was a small or large change (size of the bubble).

Figure 5 Share of young people amongst the job-seeking clients in 2016, %, and the increase (blue) or decrease (white) of this share between 2014 - 2016 by PES



Source: Responses to PES Capacity Report questionnaire 2016, insufficient data were available for Norway.

Figure 6 Share of LTU amongst the job-seeking clients in 2016, %, and the increase (white) or decrease (blue) of this share between 2014 - 2016 by PES



Source: Responses to PES Capacity Report questionnaire 2016, insufficient data were available for Norway.

Figure 7 Share of older workers amongst the job-seeking clients in 2016, %, and the increase (blue) or decrease (white) of this share between 2014 - 2016 by PES



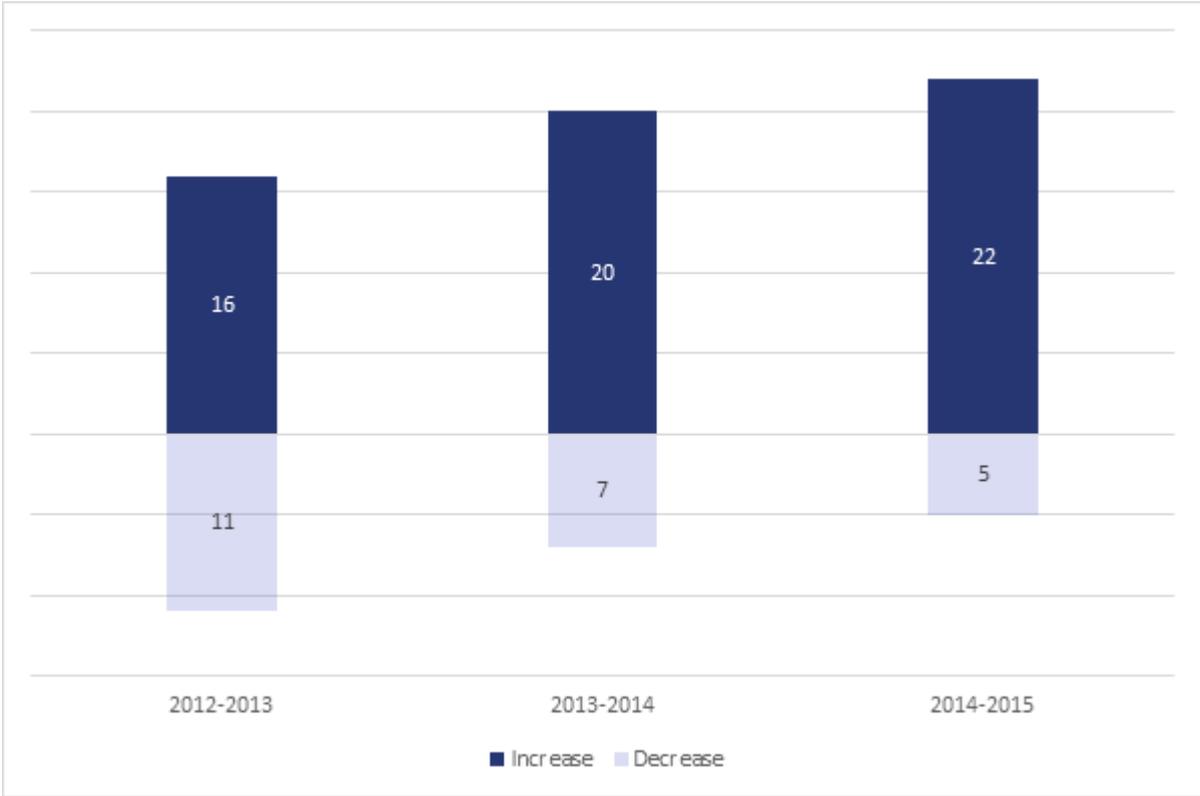
Source: Responses to PES Capacity Report questionnaire 2016, insufficient data were available for Norway.

2.2 Job vacancies

Information is available for 27 PES on the annual average monthly inflow of job vacancies notified to them. The trend of increasing numbers of vacancies being notified to PES continued in 2015, but the number of PES affected remained the same. Six PES (Austria, BE-Le Forem, FI, FR, LV, and NO) went from a decreasing trend in 2013-2014 to an increasing one between 2014 and 2015. In four others (BG, CY, EE, and HU), the opposite occurred.

Between 2012 and 2015, the average monthly inflow of vacancies increased significantly; by 6% in 2012/2013, 9% in 2013/2014 and finally 15% from 2014 to 2015. In 2015, 200,400 more vacancies were notified to the 26 PES in aggregate each month (on average) than in 2012.

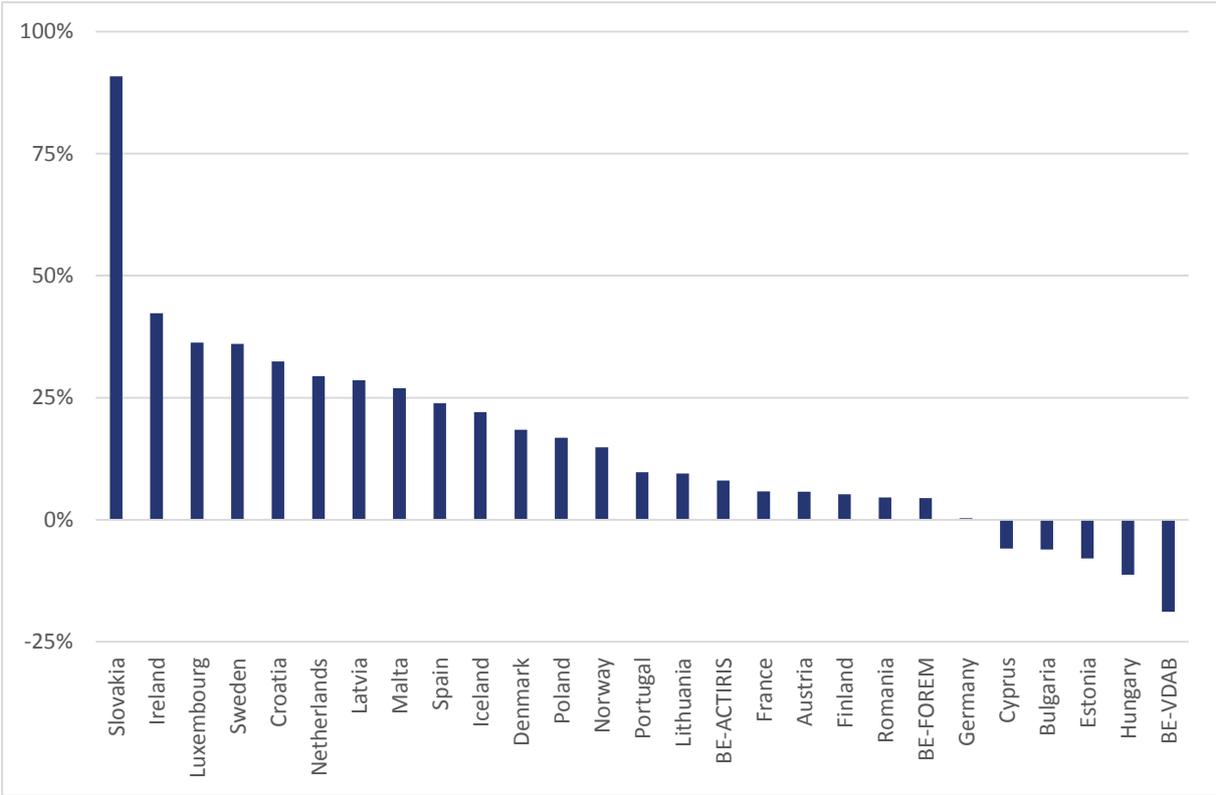
Figure 8 Number of PES experiencing an increase/decrease in the number of vacancies notified, % increase in annual average of monthly inflow, 2012-2015



Source: PES data provided via PES data collection for the Benchlearning project, 2016
 Note: The numbers refer to the annual average of the number of vacancies notified each month.
 Note: Data were available for 26 PES. For EL, ES and IT, no data were provided. For CZ, SI, and the UK, the data did not cover the entire period.

The five PES reporting a decreased inflow of notified vacancies between 2014 and 2015 were BE-VDAB, Bulgaria, Cyprus, Estonia, and Hungary. Slovakia almost doubled its vacancy inflow with a 91% increase between 2014 and 2015. Ireland, Luxembourg and Sweden had increases of around 40% for the same period, while Croatia, Latvia, Malta and the Netherlands had increases of around 30%. All remaining PES saw smaller increases over the period.

Figure 9 Percentage change reported in the number of new vacancies notified to the PES in the period 2014-2015



PES data provided via PES data collection for the Benchlearning project, 2016
 Note: The numbers refer to the annual average of the number of vacancies notified each month.
 Note: Data were available for 25 PES. For EL and IT, no data were provided. For CZ, SI, and the UK, the data did not cover the entire period.

2. PES internal resources

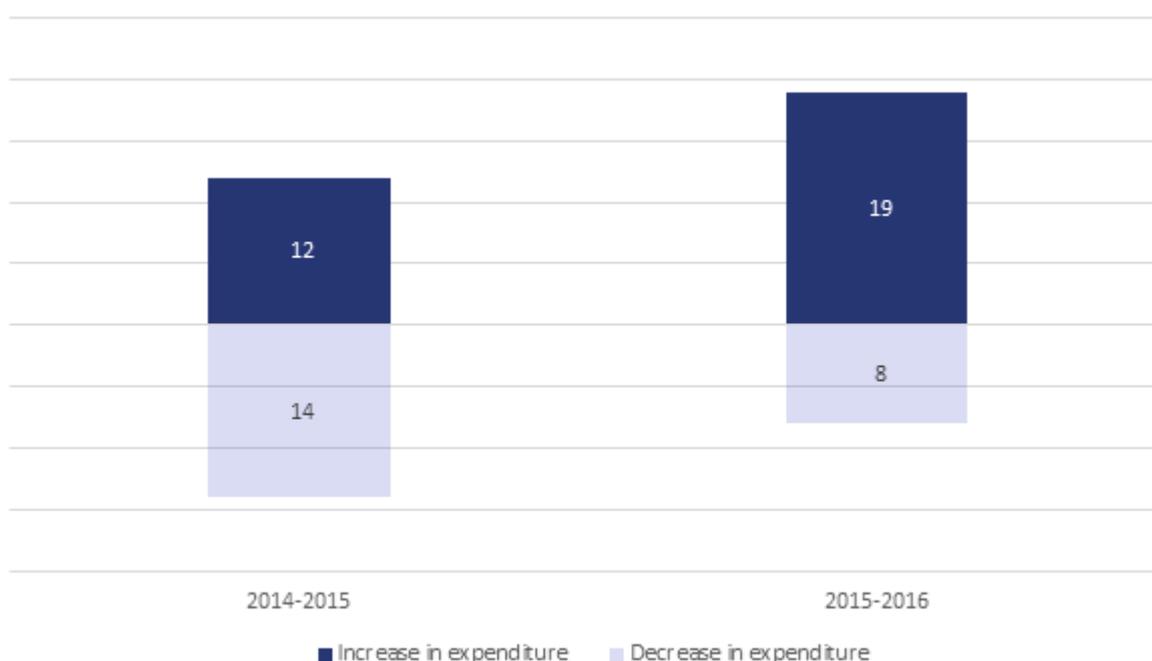
3.1 PES financing and annual expenditure

In general, the two main sources of finance for PES are government budgets and social security contributions. The latter depend on the national arrangements for this system. In addition, the ESF constitutes another common source of funding, though it varies in importance between countries and is usually used for financing ALMPs. Around one-third of the PES are not responsible for the administration of benefits, and for reasons of clarity the financial comparisons in this section do not include expenditure on unemployment and other benefits.

The previous PES Capacity Report noted that PES expenditure (excluding expenditure on benefits) had been decreasing since 2009, but that this situation reversed between 2013 and 2014. The more recent figures show that this trend of increasing PES budgets has continued in 2015 and 2016 (according to forecasted figures). For those PES able to provide reliable data, in 2015 11 PES reported an increase in expenditure over the previous year. In 2016 (forecasts), this number had risen to 19 PES.

Most of the PES with increasing expenditure reported increases for both 2015 and 2016 (though those for 2016 are forecasts and subject to change): AT, BE-ACT, BE-VDAB, EE, FI, HR, HU, IE, LT, LU, MT, and PL. Six PES had less expenditure in 2015 than the year before (BE-Le Forem, BG, DE, LV, PT, SE), and the PES in Iceland forecasted a larger expenditure in 2016 than in 2015 (no data is available for Iceland for earlier periods). The remaining PES had a smaller budget than before in both years. No data is available for ES, IT, NL, NO, and the UK.

Figure 10 Number of PES reporting changes in total expenditure, 2014-2016, excluding unemployment benefits*



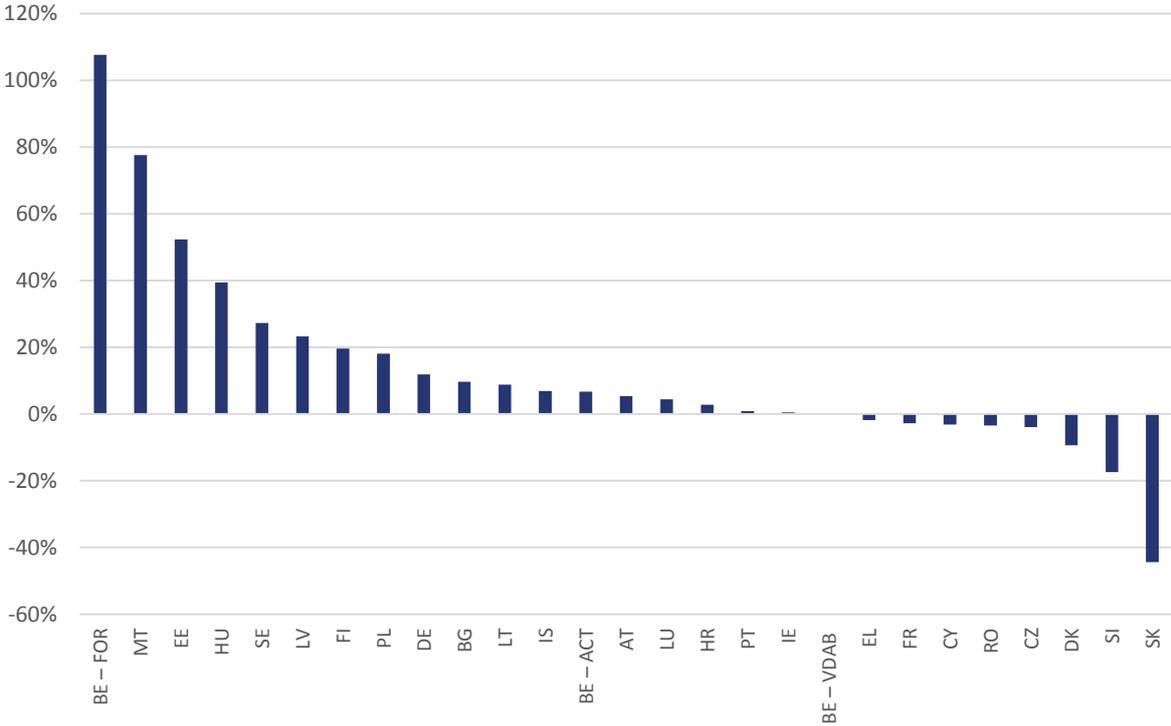
* 2016 data refer to planned expenditure

Note: No data is available for either period for ES, IT, NL, NO and the UK. No comparable data was available for 2014 for IS.

Source: Answers to 2016 questionnaire, PES 2015 Capacity Report (data for 2014 and before)

The highest percentage increase between 2015 and 2016 was for BE-Le Forem and Malta. Comparatively strong decreases can be observed for Denmark, Slovenia and Slovakia.

Figure 11 Percentage change in PES expenditure, excluding unemployment benefits, 2015-2016*



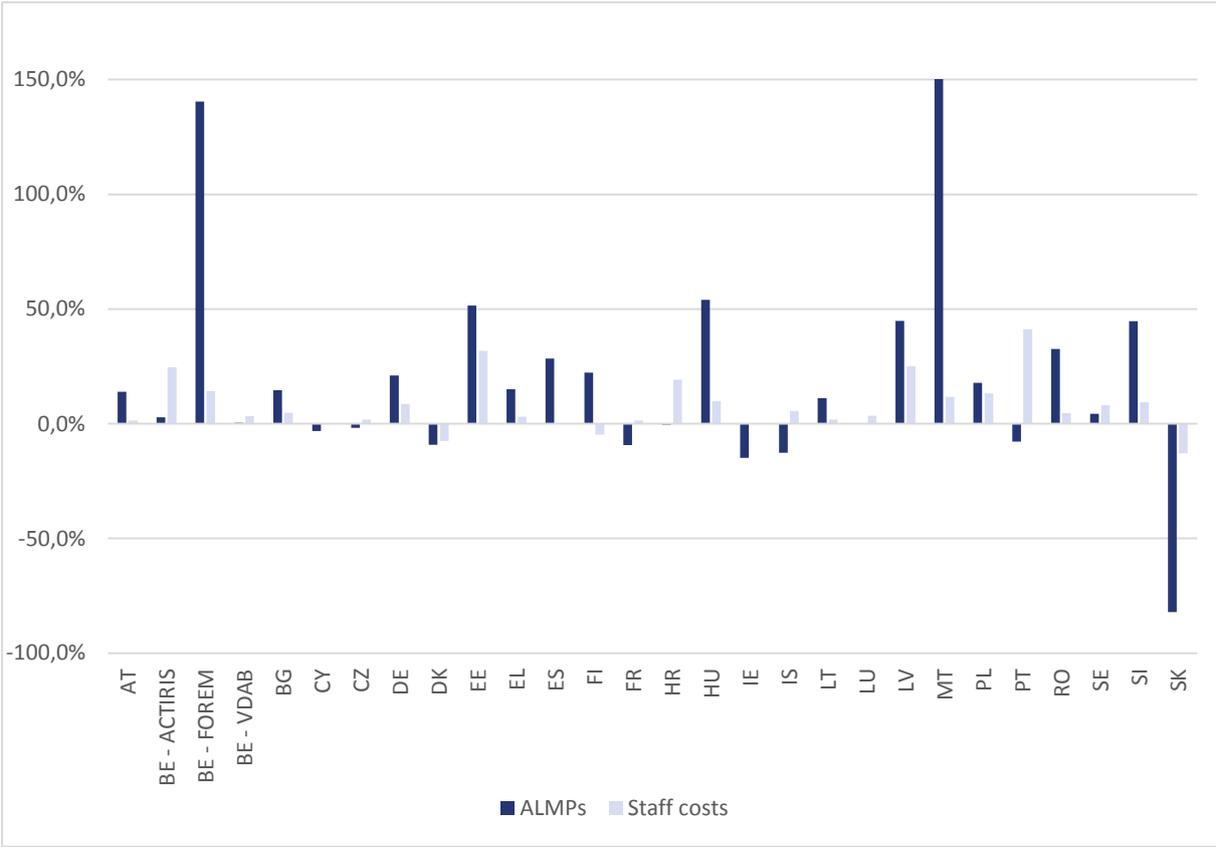
* 2016 data refer to planned expenditure
 Source: Answers to 2016 questionnaire
 Note: No information available for ES, IT, NL, NO, and the UK.

It is interesting to note that while labour market conditions in the countries have improved (albeit to varying degrees), resulting in fewer unemployed people in most cases, it has not led to a corresponding reduction in expenditure for the PES in 2015-2016. In fact, more PES are increasing their spending. Furthermore, some countries have faced increasing demand for their services, such as in Austria and Sweden, where increased numbers of migrant and asylum-seeking clients put pressure on PES budgets.

The apparent slow adjustment to PES expenditures as labour market conditions change could be due to institutional factors. For example, it may be difficult to make adjustments quickly to budgets that are set in advance and reducing staffing levels tends to take time, especially if left to natural wastage. Otherwise, those PES facing unchanged or increasing budgets but fewer clients may seize the opportunity to improve their services to clients by, for example, increasing the bespoke services or expanding the range and quality of ALMPs. Furthermore, in PES for which ESF is a major funding source (such as BG, LT, LV, MT, PL, PT) there will be an even greater time lag involved when implementing changes in ALMP expenditure, due to the multi-annual programming framework for structural funds.

Considering the changes that PES have faced in the review period in terms of their client base, even though overall levels of unemployment may have fallen, clients that have missed out on the jobs created by economic growth will be harder to place and therefore require more intensive support. This is indicated by the relative importance of the budget for ALMPs compared to staff costs, with the former increasing more than the expenditure for the latter, as demonstrated in Figure 12 (the development of staff numbers is discussed in the following section).

Figure 12 Percentage change in expenditure on ALMPs and staff costs as share of total budget without benefit expenditure, 2015-2016



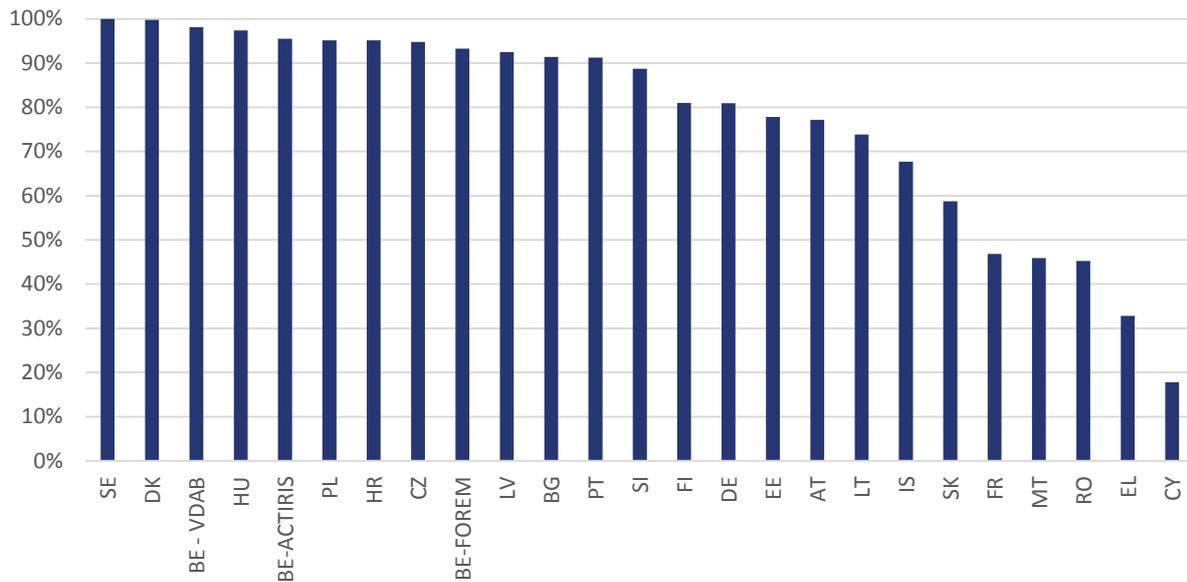
Source: Answers to 2016 questionnaire
 Note: No information was available for IT, NL, NO, and the UK, and no information was available on staff costs for ES and IE.

Figure 13 shows the share of ALMP expenditure without expenditures on benefits from the total expenditure base figure for each PES. Staff costs have been excluded since they include expenditure on staff for administering benefits in those countries where PES have this responsibility.

Even with these adjustments, problems remain when comparing PES. For example, in Denmark staff costs only include the operating costs of the national office, while the level at which the delivery of services takes place (municipalities) is not included. This means that the share of ALMP expenditures is one of the highest of the PES. Hungary also has a high share of ALMP expenditures, but this reflects the comparatively modest staff costs for the PES.

It is not surprising therefore that the share of total expenditures on ALMPs varies considerably across the PES. For twelve PES, expenditure on ALMPs constitute the vast majority of total expenditure (>90%), if benefits and staff costs are excluded. For the other six PES, it ranges from 70-90%.

Figure 13 Expenditure on ALMPs as share of total budget without benefit expenditure, 2015



Source: Answers to 2016 questionnaire

Note: No information was available for ES, IE, IT, NL, NO, and the UK.

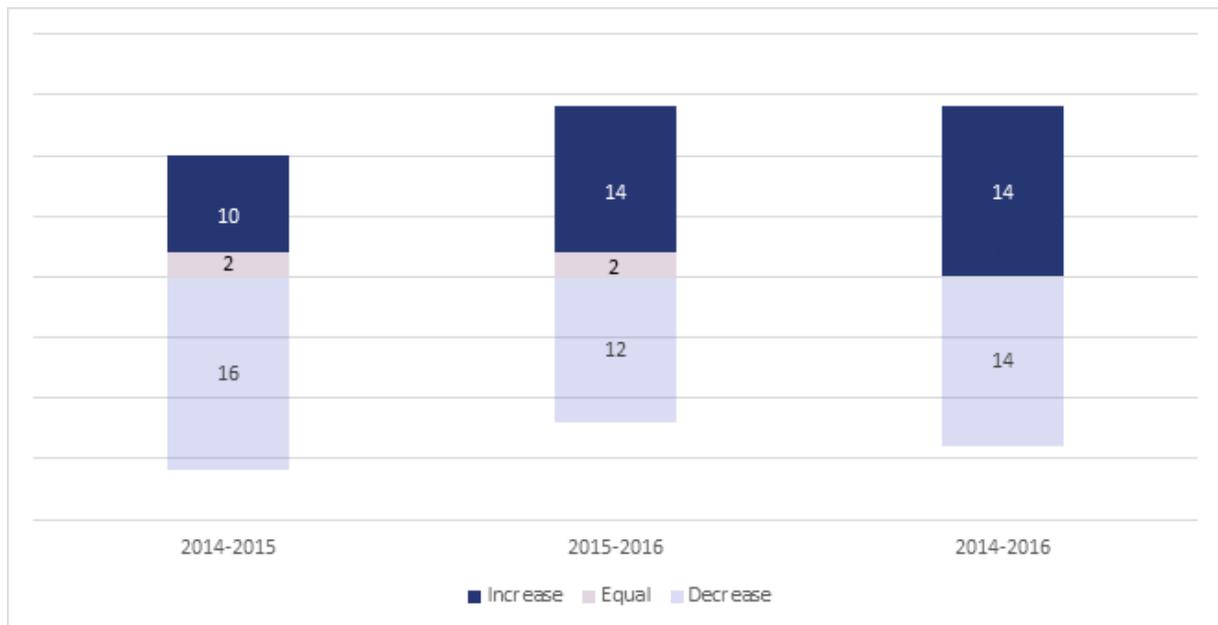
3.2 Human resources

3.2.1 Total staff numbers and development between 2014 and 2016

For 28 European PES, information is available on total staff numbers. Collectively, the total staff is almost the same as in 2014. The number of Full-Time Equivalent (FTE) posts (excl. IE, IT, NO and PL for which not enough data was available) decreased from 215,442 in 2014 to 213,600 in 2015, and to 212,048 in 2016. Over the entire period, the decrease amounted to -1.6%.

However, these aggregate figures mask different experiences among the individual PES. Half of the PES for which this information is available had decreasing numbers of staff between 2014 and 2016. More recently, 12 PES reduced their total staff in 2016 compared to 2015 (CY, EL, ES, FI, FR, LT, PT, RO, SI, and UK). In two countries (BG, IS), the number remained the same as in the previous year.

Figure 14 Number of PES experiencing increase or decrease in staff (in FTE) between 2014 and 2016



Source: Answers to 2016 questionnaire

Note: Based on 28 PES, insufficient data available for IE, IT, NO and PL.

BE-Actiris: FTE are given here as paid (i.e. someone who is ill for more than one month and who is paid by the "mutuelle" will not be counted here).

BE-Forem: The PES is responsible for Employment and Training - some staff belong to DG Formation

BG: These numbers are according to the established rules of the Employment Agency staff numbers, which have not been changed after October 2014.

CY: 2016 includes staff at district and local labour offices plus PES staff at the headquarters (Department of Labour).

DE: Only BA staff and external staff within the Social Code III. Social Code II remains unconsidered.

DK: The reference date has been changed to 1st of May. The figures include the staff at the Danish Agency for Labour Market and Recruitment. There are no validated data about the local staff in the municipalities, only an estimate from 2014: 8,600 – 8,900 at local offices.

FR: These numbers exclude top management (around 200 persons) and subsidised contracts (that are fixed-term contracts)

IS: Total number of Directorate of Labour/Vinnumálastofnun staff in all divisions and occupations

LT: Due to the abolition of certain functions, the total number of staff was reduced.

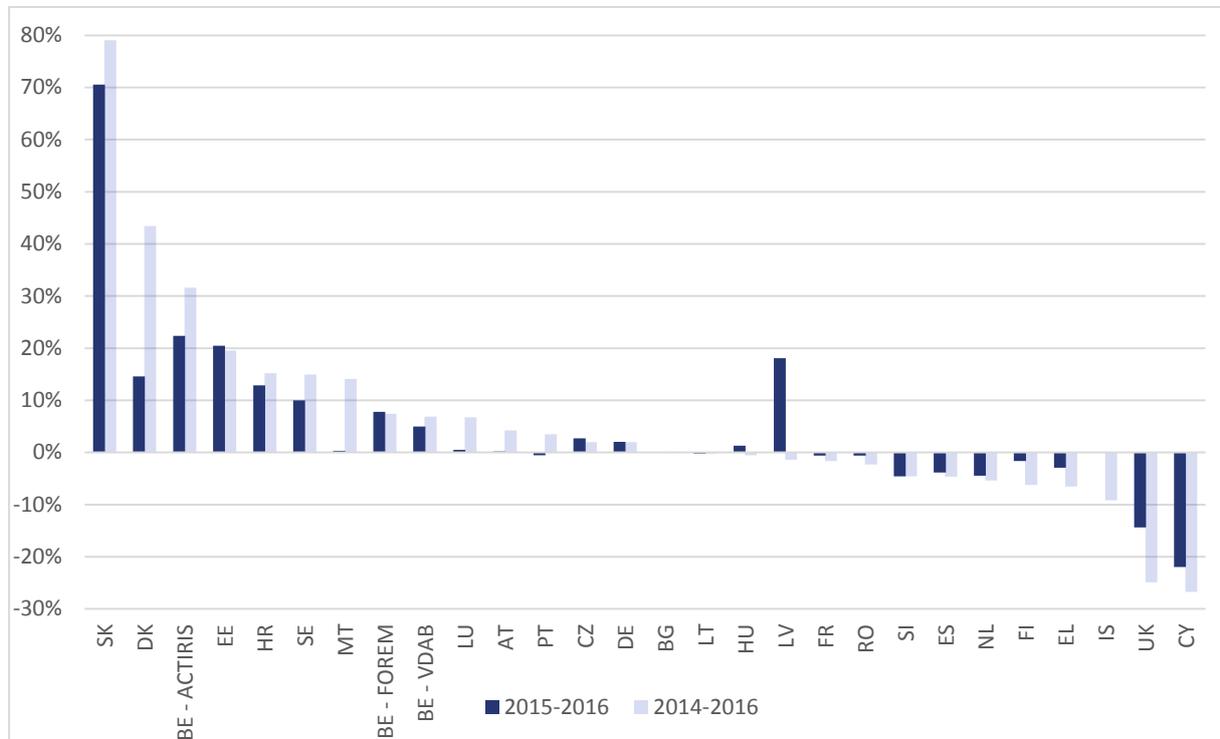
LU: For 2014 and 2015, the annual average of total PES staff. For 2016, the date is 29 February. 21 new staff will be hired in the course of this year as well.

The overall decrease between 2014 and 2016 was caused by staff reductions in fourteen PES (BG, CY, EL, ES, FI, FR, HU, IS, LT, LV, NL, RO, SI, the UK), with the decrease ranging from 0.1% in Bulgaria and 0.5% in Hungary to 24.9% in the UK and 26.7% in Cyprus. In terms of the numerical change, the UK contributed the most to the overall fall with 3,395 fewer FTEs in the PES in 2016 than in 2014. The reduction in staffing was a consequence of a reduction in funding for the PES, and was largely achieved through natural wastage (e.g. retirements), voluntary redundancies and restrictions on recruitment.

Germany, France and the UK are the largest countries in the European PES Network and also have the highest absolute staff numbers of all the PES in the EU. However, Germany and France combined had little impact on the overall numerical fall in staff among the three countries. In fact, in the case of Pôle Emploi (FR), their number slightly decreased between 2014 and 2016 (-1.6%), and for Germany there was a small 2% increase. The largest contribution to increasing staff numbers was from the PES in Sweden (up by 1,843 FTE or a 14.9% increase) and in Slovakia (up by 1,905 FTE or a 79% increase). The increased staffing in Sweden was largely to meet the increased demand for PES services from increased numbers of migrant clients. The increase in Slovakia occurred when the PES merged with the social services institution in 2015. The function of personal agents was introduced and staff from both organisations were reallocated in order to realise the one-stop-shop service for customers. These personal agents deal

with complex problems from individuals and families, covering employment services as well as social support.

Figure 15 Percentage change in number of staff, 2014-20125 and 2015-2016, ordered by change in entire 2014-2016 period



Source: Answers to 2016 questionnaire

Note: Based on 28 PES, insufficient data available for IE, IT, NO, and PL.

3.2.2 Use of dedicated employment counsellors to deliver tailored support

The number of PES using specialised counsellors to work with specific sub-groups of jobseekers (such as young people, LTU and older workers) seems to be steadily increasing. Only seven of the 32 PES do not use specialised counsellors for the three key customer groups⁸. In fact, in 2016 eight PES had such dedicated teams for all three groups (BG, EE, HU, IS, MT, SE, SI, SK) and seven other PES (BE-Actiris, DE, EL, FR, LT, LU, LV) for two of the three groups. Many of the PES that choose not to have counsellors dedicated to particular client sub-groups may offer a similar level of service, but without the specialist approach. Also, for a few countries where PES services are locally devolved (e.g. DK and ES) it may be the case that some counsellors are dedicated to certain sub-groups, but this may vary since the decision is left to local discretion.

It is interesting to observe that where PES do have staff dedicated to particular client sub-groups, their numbers tend not to change in line with corresponding changes in the size of the client group. For example, in most countries youth unemployment has fallen over the review period, yet the number of counsellors dealing with youth has tended to remain the same. For example, in Croatia between 2014 and 2016, the average caseload for PES counsellors dealing with young people fell from 345 to 249, while in Latvia the average caseload fell from 103 to 59. This could suggest that staff deployment does not

⁸ The three customer groups are employers, young people and the LTU. This information is not available for three PES.

respond quickly to changes in client numbers, or it could be that PES take the opportunity to improve the services delivered to clients as caseloads fall.

Table 1 PES and the deployment of dedicated counsellors for employers, young people or LTU in 2016

None (8)	Employers (19)	Young people (16)	LTU (9)	No info (3)
BE-VDAB, CY, FI, HU, IE, IT, PT, RO	AT, BE-Le Forem, CZ, NL, UK	NO*		DK, ES, PL
		LV		
	BE-Actiris, DE, EL, FR, LT, LU			
	BG, EE, HR, IS, MT, SE, SI, SK			

Source: Answers to 2016 questionnaire

* For Norway, the situation varies across the country as this service is organised at the regional/local level. Some use dedicated services for LTO, others do not.

The customer group most often targeted is employers, with the number of PES allocating staff exclusively to work with employers increasing from 14 to 19 between 2014 and 2016. PES that have counsellors dedicated specifically for LTU clients are less common. However, the number of PES with such dedicated counsellors shows the steepest increase among the client sub-groups, almost doubling from five to nine PES between 2014 and 2015.

The specialised counsellors for young people show a middling stage of development, with 13 PES in 2014 rising to 16 PES in 2016. As Table 2 demonstrates, the increase is due to a small number of countries, amongst which Iceland and Sweden currently have dedicated counsellors targeting all three groups.

Table 2 Newly launched specialised counsellor teams for employers, young people or LTU

	Employers (5)	Young people (3)	LTU (5)
2015	FR, IS	EE, IS	IS
2016	EL, NL, SE	SE	LV, MT, SE, SI

Source: Answers to 2016 questionnaire

In addition to the three groups discussed so far, 15 PES also reported the use of dedicated counsellors for other groups, such as clients with a disability, ex-offenders or new labour market entrants. The number of PES concerned increased from 10 in 2014 to 14 in 2016. France reported such an initiative for (former) prisoners for 2015 only. For Sweden and Slovakia, no details were available. In the 12 PES (BE-VDAB, DE, EE, EL, HR, IS, LT, LU, MT, NL, SI, UK) for which sufficient data are available, in total 5,120 FTE devote all or most of their time to helping such specific groups. This amounts to 5.1% of the total staff working across the 12 PES. In numerical terms, the vast majority of these people are in the PES of the Netherlands (2,408) and the UK (1,533).

Table 3 Specialised counsellors for other groups in 2016

PES	No staff	Target groups
BE - VDAB	253	older, disability, poverty, in prison, newcomers
DE	264	specialised trainers, residential homes for young people
EE	46	case managers for people with long-term health problems or disabilities
EL	7	special social groups
HR	392	disabilities, mediation counsellors, self-employment, ALMP, EURES, guidance
IS	13	disabled, jobseekers on social benefits
LT	130	disabled, released from detention, LTU, older, disabled
LU	12	disabled, reduced working capacity
MT	42	Inclusive Employment Services (services for people from disadvantaged groups) (38), EURES (4)
NL	2,408	older, disabled, unemployment benefits claimants, digital incompetence
SI	20	unknown
UK	1,533	ex-offenders, sick, disabled, 16 & 17 year olds

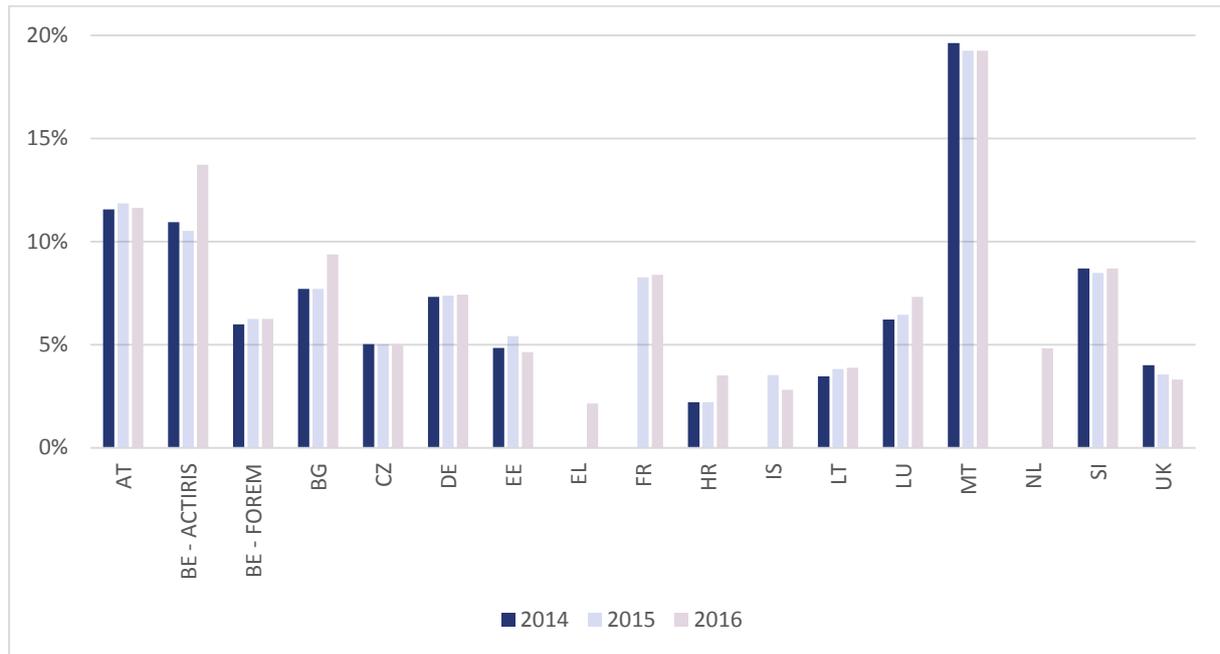
3.2.3 Staff numbers for specific groups

Employers

At the same time the number of PES having dedicated counsellors for employers increased. The share of total staff they allocated to this task between 2014 and 2016 also increased in ten PES: AT, BE-Actiris, BE-FOREM, BG, DE, FR, HR, IS, LT, and LU. In Slovenia, the share remained the same, in spite of an increase between 2015 and 2016. For two PES (SE and SK), no figures were available. As a result, in 2016 across the PES, a total of 11,666 counsellors (FTE) were dedicated solely to servicing the needs of employers, equivalent to 7% of the total staff in the PES concerned. In numerical terms, most were employed in Germany (4,176 or 7.3% of all PES staff) and France (4,114 or 8.5% of all PES staff), followed by the UK (1,061 or 4.4% of all PES staff) and the Czech Republic (560 or 5% of all PES staff). The total number across all the PES affected is somewhat higher since no such information was available for two PES (SE, SK). In 2014, the number was 7,302. Within those two years, the staff working specifically for employers increased by 59.8%.

Recently, i.e. between 2015 and 2016, Croatia and BE-Actiris increased the share of specialised staff for this group by 59% and 30% respectively. In Bulgaria and Luxembourg, specialised staff growth rates were also relatively high. In many PES, the situation remained more or less the same. Only four PES decreased the share of specialised staff for employers since 2015: AT, UK, EE and IS.

Figure 16 Share of PES staff dedicated to servicing employers, 2014-2016



Source: Answers to 2016 questionnaire

Note: For SE and SK, no staff numbers were available for this group. For some countries, data were available for some years only (EL, FR, and NL). Only countries with dedicated counsellors for employers included.

Young people

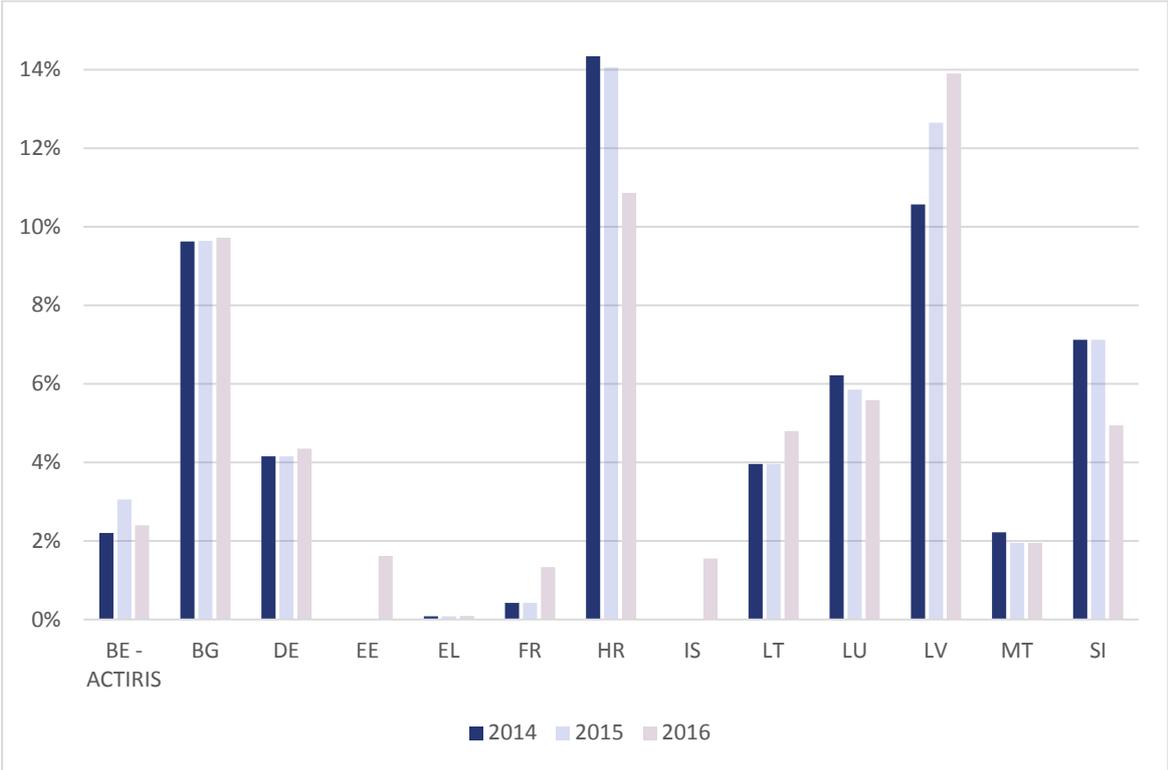
The number of staff dedicated exclusively to supporting young people also increased, but not as much as for employer counsellors. Of the fifteen PES concerned, thirteen provided data on staff numbers, and in total they employ 5,846 FTE in this type of function. This amounts to 4.3% of the total staff in the PES combined, and represents an increase of 11.6% in 2014. The number of employees dedicated to working with other target groups did not change much over the reference period.

A majority of the PES with more staff dedicated to young people (BE-Actiris, BG, DE, EE, EL, FR, IS, LT, LV) increased their share of total PES staff working for this group between 2014 and 2016.

The existence of the Youth Guarantee (YG) also complicates matters since some PES have only a partial role in implementing the programme. Therefore, while PES staff dedicated to supporting young people may be relatively small, other agencies providing support under the YG will be fulfilling this dedicated role. Furthermore, even where PES do not have dedicated counsellors for young people, it does not necessarily mean that this cohort will not be receiving targeted support since it could be delivered outside the PES through the counsellors dealing with a range of client sub-groups. More information on the YG can be found in the separate report on the programme⁹.

⁹ European Commission, Report on PES Implementation of the Youth Guarantee, September 2016

Figure 17 Share of PES staff working solely for young people, 2014-2016

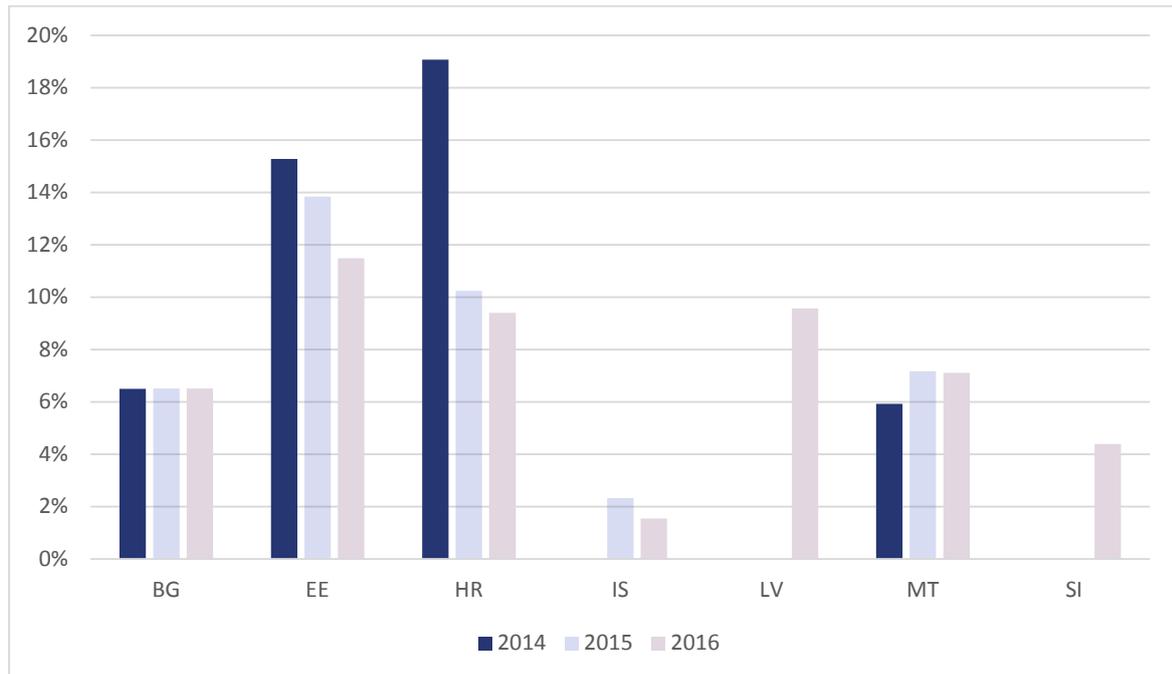


Source: Answers to 2016 questionnaire
 Note: For SE, SK and NO, no staff numbers were available for this group.

Long-term unemployed

During the period 2014-2015, several PES introduced dedicated counsellors for LTU, though their effect on the total number of such staff across the 32 PES remained roughly the same, with only a modest increase from 501 in 2014 to 508 in 2016. Any increase in other PES was significantly offset by a reduction of 108 FTE (equivalent to a reduction of over half) in the Croatian PES. A small reduction also occurred in Estonia. By contrast, Malta introduced new staff for this target group. In total, 7.6% of the total staff in seven of the nine PES for which the actual numbers were available exclusively support the LTU client group.

Figure 18 Share of PES staff working solely for LTU, 2014-2016



Source: Answers to 2016 questionnaire

Note: For SE and SK, no staff numbers were available for this group.
For IS, LV and SI, information was available for part of the years only.

3.2.4 Average caseload per PES counsellor

The variety in caseloads already flagged in the previous report persists. This variety remains regardless of whether or not PES are responsible for the administration of benefits. The caseload is calculated by dividing the total number of jobseekers by all client-facing staff (excluding those servicing employers), and is a crude estimate of the actual caseload of those PES staff working directly with job-seeking clients. Unfortunately, the data did not permit calculations of caseloads for all PES and for all client sub-groups in those PES with separate data on client-facing staff. Although, it was possible to compare caseloads for dedicated youth counsellors between PES. As Table 4 shows, caseloads also differ when restricting the comparison to this specific group. This makes it less likely that the composition of the jobseekers explains differing caseloads between PES.

Most PES with usable data saw their overall caseload decrease, which was already the case in 2015, but more so in 2016. For only five PES (CY, FI, AT, EL, NL) the caseload increased in 2016 compared to 2015 and 2014. For the French PES, for example, it remained the same in 2016, but increased in 2015 resulting in an overall increase of around four jobseekers per staff member between 2014 and 2016. Since 2014, the largest decreases were observed in Malta (-54.9%) and Slovakia (-55.7%). Other PES with lower (though still substantial) decreases were BE-Actiris (-31.5%) and Hungary (-37.7%), followed by Estonia, Portugal and the UK.

The average caseloads presented in Table 4 are strongly influenced by those PES in Cyprus and Spain. Excluding these two PES from the calculations means that the average falls to 102 and 105 respectively. However, there is still great variation in PES caseloads, which range from tens to several hundred.

From the analysis, it appears that specialised youth counsellors tend to have higher caseloads than those servicing other client sub-groups. However, as already indicated (above), in many countries the implementation of the YG means that unemployed young

people are targeted by a variety of agencies that may be providing support to supplement that of the PES.

Table 4 PES development of overall caseload 2014-2016

Type of PES PES	All staff and all jobseekers			Counsellors dedicated to youth and young jobseekers		
	Caseload	Change '15-'16	Change '14-'16	Caseload	Change '15-'16	Change '14-'16
PES with no tasks regarding benefit administration						
BE-Actiris	85	-22.5%	-31.5%	383	-4.5%	-44.1%
BE-Le Forem	58	-10.9%	-14.9%			
BE-VDAB	52	-8.5%	-9.0%			
CY	403	13.0%	10.5%			
FI	233	6.8%	23.9%			
LT	136	-7.9%	-17.2%	163	-18.8%	-46.9%
MT	12	-32.9%	-54.9%	59	-46.8%	-67.4%
PT	213	-9.8%	-23.6%			
SE	26	-10.4%	-16.9%			
Average	135	-9.2%	-14.8%	201	-23.4%	-52.8%
PES responsible for UB or UB and other benefits						
AT	89	0.8%	4.3%			
CZ	37	-17.8%	-29.2%			
EL	245	4.4%	10.0%	24,425	-11.0%	-20.4%
ES	596	-3.2%	-8.3%			
FR	73	0.0%	6.2%	782	0.9%	-69.7%
NL	216	13.9%	19.5%			
RO	198	-5.2%	-9.4%			
DE	48	-5.4%	-8.6%	94	-6.3%	-14.5%
EE	49	-13.4%	-22.0%			
HR	169	-24.1%	-37.7%	247	-10.8%	-28.4%
IS	36	-23.6%	-29.7%			
LU	41	-4.4%	-11.6%	75	-10.0%	-15.3%
SI	137	-2.5%	-0.9%	227	28.7%	42.8%
UK	24	-9.5%	-26.8%			
Average	140	-6.4%	-10.3%	4,308	-1.4%	-17.6%
PES only administering other benefits						
BG	127	-12.9%	-21.0%	63	-37.0%	-53.5%
LV	105	-15.9%	-9.3%	59	-16.6%	-42.5%
SK	72	-7.4%	-55.7%			
Average	101	-26.1%	-28.7%	61	-26.8%	-48.0%

Source: Responses to PES Capacity Report questionnaire 2016 (job-seeking clients) and PES data provided via PES data collection for the Benchlearning project, 2016 (registered unemployed).

Note: Insufficient data available for DK, IE, IT, HU, NO and PL.

Note: For youth, only countries with dedicated youth counsellors and sufficient data were included.

Caseloads calculated by dividing total staff by total jobseekers, and for youth: total dedicated staff for young people by number of young jobseekers.

3. PES services and active labour market policies

4.1 Specific and general ALMPs

The most recent quantitative data on participation in ALMPs are from 2014. For 2015 or 2016, the data is yet to be processed by MS and Eurostat. The 2014 data was already extensively analysed in the previous PES Capacity Report and in the European Semester thematic fiche on active labour market policies¹⁰.

The evidence from 2014 amongst other things showed that the largest number of participants in ALMPs is found in training and employment incentive schemes. Comparisons of the number of participants as a percentage of the labour force¹¹ reveals that higher shares are found across the European PES Network members for these two types of ALMPs. They also rank highest when comparing participation in ALMPs within countries. However, this comparison also shows that sheltered and supported employment and rehabilitation are important in a few specific countries. In a number of countries, the number of participants as a percentage of the labour force is the highest for this type of measure, although participation in this type of measure is in general lower than in other countries.

During the review period, the number of participants in training and employment incentive schemes changed in almost all the countries. Slightly more than half of the countries saw a *decreasing* number in training, while slightly more countries saw an *increase* in employment incentives beneficiaries. In about one-third of the countries, no change occurred for the three other types of ALMPs — sheltered and supported employment and rehabilitation, direct job creation and start-up incentives. Interestingly, if participation in direct job creation changed, it typically increased. The latter finding could reflect the need to deal with jobseekers that were hit harder by the recession, as well as renewed financial leeway to deploy the more costly options amongst ALMPs.

The European Semester thematic fiche argued that participation in ALMPs can help reduce LTU, and those sub-groups particularly affected by it, such as young people and low-skilled workers. They achieve this by increasing participants' chances of finding work (i.e. increasing their outflows from unemployment). Countries with the lowest LTU rates are among those where the level of participation in ALMPs is highest.

The new information gathered for this report shows that all the PES¹² can rely on one or more instruments specifically designed for target groups, and that most use these to target three to four specific groups (3.6 on average). As Table 5 shows, young people, LTU and older jobseekers are the main target groups of these measures, while a smaller number target disabled people. This and figures for other groups may, however, underestimate the number of dedicated measures as only the first three groups were explicitly asked about in the questionnaire.

¹⁰ European Commission, European Semester thematic fiche – Active Labour Market Policies, Brussels, 04.05.2016

¹¹ Participant stocks as a percentage of the labour force, data for Austria, Belgium, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, the United Kingdom. Source: <http://stats.oecd.org//Index.aspx?QueryId=8540>, download date 1-9-2016

¹² For the Dutch PES, no information was available as most of the ALMPs are administered by municipalities or implemented by private bodies.

Table 5 PES utilising dedicated measures for various target groups in 2016

Target group	Number of PES
Young JS	31
LTU	31
50+	27
NEETS 14-24	2
Disabled	10
Migrants and refugees	3
Employees at risk of losing their job	1
Other groups or various groups	8

Source: Responses to PES Capacity Report questionnaire 2016

Note: No information available for the NL, as municipalities are responsible for a substantial part of the Dutch ALMPs.

The mix of targeted and general ALMPs identified in the previous report continues to exist. In fact, as the following section will show, measures introduced since then further develop this tailored approach.

4.2 Recent developments in ALMPs

Twenty-three PES reported the introduction of new ALMPs or the amendment of existing ALMPs to better respond to current labour market conditions. In the eight remaining PES, no new developments in ALMPs were reported since the previous report. Typically, in the countries or regions concerned one or two ALMPs were introduced and/or one or two were modified. A high number of changes were more often encountered in a country when introducing new measures, more so than when amending existing ones.

Table 6 New ALMPs introduced or existing ones modified in the year preceding questionnaire completion

PES	New ALMPs	Modified ALMPs	New and modified	Only new	Only modified	Neither
AT	N	N				X
BE - Actiris	Y	N		X		
BE - Le Forem	N	N				X
BE - VDAB	Y	Y	X			
BG	Y	Y	X			
CY	Y	N		X		
CZ	Y	Y	X			
DE	Y	N		X		
DK	N	N				X
EE	Y	Y	X			
EL	Y	N		X		
ES	Y	Y	X			
FI	Y	N		X		
FR	Y	Y	X			
HR	N	Y			X	
HU	Y	N		X		

PES	New ALMPs	Modified ALMPs	New and modified	Only new	Only modified	Neither
IE	Y	Y	X			
IS	Y	N		X		
IT	Y	Y	X			
LT	N	N				X
LU	Y	N		X		
LV	N	N				X
MT	Y	Y	X			
PL	Y	N		X		
PT	Y	Y	X			
RO	N	N				X
SE	Y	Y	X			
SI	Y	Y	X			
SK	N	N				X
UK	N	Y			X	

Source: Responses to PES Capacity Report questionnaire 2016

Note: For the NL and NO, no data were available.

Most of the changes in ALMPs were aimed at targeting the offer towards specific client sub-groups. A majority of the PES that revised some ALMPs introduced new measures for young people, with smaller numbers targeted at older workers, disabled, as well as migrants and refugees. In view of the increased number of refugees coming to Europe, perhaps more attention to ALMPs targeted at this group would have been expected, particularly in host countries such as Austria, Germany and Sweden. The number of countries with specific services targeting migrants has indeed increased compared to the previous report. Only Bulgaria and Sweden were mentioned as targeting this group through specific measures. Of course, it is also possible that PES use existing general or specific measures to help this group. The Swedish PES now has the possibility to offer additional education for newly arrived migrants in conjunction with universities. The PES is now also responsible for conducting skills assessment (focusing on the assessment of newly arrived migrants' educational background and work experience) during their asylum-seeking period. However, at the same time, the right to an introductory benefit for this group while working within the Introduction Programme was discontinued on February 1, 2016, ostensibly to reduce costs, but also to increase the legitimacy of policies regarding newly arrived immigrants. While other countries have faced similar increases in the number of migrant clients, most have tended to offer support from within existing services provision, though in some cases staff numbers have been augmented.

The most important target group in the residual category 'others' were groups such as the hard-to-place, severely disadvantaged or in need of special attention (BE-VDAB, FR, LU, LV, SE). Only two PES changed their offer for women (PT, SI). Portugal introduced a new measure aimed at promoting gender equality by offering financial support to employers hiring unemployed registered female jobseekers. Slovenia introduced a subsidy programme for unemployed women with high-level education who have become self-employed. Other target groups include jobseekers without qualifications (BG), unemployed in a specific sector (CY), workers dismissed during mass lay-offs (CZ), jobseekers with family responsibilities (FR), public works workers (HU) and former members of the defence force (IE).

Table 7 Tailoring of ALMPs through new or modified ALMPs in the year preceding questionnaire completion

Target group	PES	No of PES	In % of PES that changed ALMPs
Youth	BE-VDAB, BG, CY, DE, ES, FR, IE, IT, PL, PT, SE, EI, UK	13	59.1
LTU*	CY, CZ, ES, FI, FR, HU, IE, IT, MT, PT, SE, SI	12	54.5
Older	BG, EL, LU, MT, SI	5	22.7
Disabled	BG, EE, IS, LU, MT, PT	6	27.3
Migrants and refugees	DE, PT, SE, SI	4	18.2
Other	BE-VDAB, BG, CY, CZ, ES, FR, HU, IE, LU, MT, PT	11	54.5

Source: Responses to PES Capacity Report questionnaire 2016

* For IT, data on LTU refer to jobseekers that have been >4 months unemployed.

Note: For the NL and NO, no data were available.

The two dominant types of measures newly introduced for target groups were employment incentives (introduced in 14 PES) and measures providing workplace learning, work experience, and traineeships (introduced in 10 PES). The actual number of new measures is higher, as some PES introduced several measures under these headings. In comparison to its importance in the ALMP portfolio, the number of PES introducing new training measures for target groups is relatively low. By the same logic, the number of PES that introduced incentives to encourage self-employment is relatively high, although it only concerns five PES.

The overview in Table 8 suggests an emphasis on measures that have an immediate link with employers and the workplace.

Table 8 Type of newly introduced ALMPs for specific groups of jobseekers, number of PES

Target group	No. of PES
Training	9
Employment incentives for employers	14
Supported employment and rehabilitation	3
Direct job creation/public works	3
Start-up incentives/entrepreneurship	5
Workplace learning, work experience, traineeships	10

Source: Responses to PES Capacity Report questionnaire 2016

Note: For the NL and NO, no data were available.

The type of ALMPs currently offered to various targets groups by PES are explored in section 4.3.

4.3 Activation measures for specific client groups

4.3.1 Targeting specific groups

All PES, with the exception of the Netherlands¹³, have indicated the active measures primarily used for **young jobseekers, long-term unemployed and older workers**.

In almost half of the PES, the package mainly includes measures explicitly and specifically targeting these groups. Sometimes these measures target more than one group, such as the support provided to employers for the employment of disadvantaged jobseekers in Slovakia or disadvantaged unemployed in Latvia, which are both used for older workers as well as LTU. In some cases, they target a specific group within the target group, such as socially marginalised young people in Romania. The other PES rely mostly on general measures or indicated the type of measure (e.g. wage cost subsidy) without providing further details. A small group combines the two types.

A few PES indicated that no specific package was used for **older jobseekers** (CY, FR, IE and IT), and in many others they were not a specific target group, instead being covered by other ALMPs such as those targeting the LTU, many of whom would be in the older age group. In France, targeting does not exist at national level for the 50+, but may exist at local level¹⁴.

Ten PES reported a targeted approach to **disabled jobseekers** (AT, BE-VDAB, BG, CZ, FI, IE, LU, LV, MT, and SE). **Other groups** were mentioned by a small number of PES only: NEETS 14-24 (DE, EL) migrants and refugees (AT, FI, SE), employees at risk of job loss (CZ), various groups (BE-Actiris), women re-entering the labour market (DE), people facing both serious social and work problems (FR), low-skilled workers/unemployed without qualifications (HU, SI), unemployed persons with a determined assistance profile I, II or III (PL, see below), and women with high-level qualifications (SI).

The total and average number of measures per target group needs to be treated with caution as the data are far from robust. However, compared to those PES that target young people, fewer PES seem to target LTU and in particular older workers. They also seem to offer fewer measures to these two groups.

Table 9 Total number of measures per target group

Target group	No. of PES	No. of measures	Average No. of measures per PES
Youth	31	122	3.9
LTU	31	100	3.2
Older	27	75	2.8
NEET	2	11	5.5
Disabled	10	36	3.6
Migrants and refugees	3	11	3.7
Other	9	33	3.7

Source: Responses to PES Capacity Report questionnaire 2016

Note: For the NL, no data were available.

Some PES specifically indicate that their offer to people is entirely or to a large extent individualised. For example, this is the case for BE-Le Forem where an individualised

¹³ For the Netherlands, this information could not be provided as a large part of the active labour market measures is currently implemented by municipalities.

¹⁴ This also applies to some other countries, such as the UK and Spain, but as they also have ALMPs for older jobseekers at national level, this does not influence the findings.

approach is preferred instead of measures targeted to specific client sub-groups. In Poland, there are several specific measures for youth, LTU and older workers, but the actions and forms of support provided to the unemployed depend on their assistance profiles. The Polish PES distinguishes three types of client that represent their distance from the labour market, and the corresponding level of support they are likely to need:

- Profile I covers mainly active, mobile people with appropriate professional qualifications and interpersonal skills. They do not have serious life problems which would make it impossible for them to find a job;
- Profile II typically includes people who have certain professional skills, but are redundant, or worked for a very long time in one company. They lack ideas on how to solve their problems, and frequently do not present themselves well;
- Profile III comprises people with serious life problems or those who do not want to cooperate with employment offices. According to the handbook, these are passive people who are supported by social assistance institutions, have no education or little experience and often health issues.

In Italy, the PES developed and implemented a “profiling” procedure for unemployed. After his or her profile has been agreed on, the unemployed person receives a voucher, which entitles them to additional support with the PES or private PES (PrES). By signing an agreement with an organisation, they obtain access to stronger and more intensive services in order to enhance their inclusion into the labour market. In Ireland, there is a dual profiling system in place. When jobseekers present themselves at an office of the Department of Social Protection to make a claim, a statistical profiling tool estimates the probability of the jobseekers exiting unemployment and moving into a job within the next 12 months (known as the Probability of Exit (PEX) score). This allows segmentation of clients into low, medium and high risk categories and permits early intervention for those clients needing the most help. A second profiling (introduced in 2013) produces a score that reflects the client’s proximity to the labour market, with similar low, medium and high risk outcomes, though uses fewer characteristics. Both models have proved to be reliable in their predictive qualities.

4.3.2. Main ALMPs for specific groups

The previous PES Capacity Report showed that PES use fairly similar packages of measures to assist the labour market sub-groups of young people, LTU and older workers. For example, most PES offered guidance and counselling services to all three groups, as well as activation measures such as job search support, signposting, job matching and individual action planning. In some cases, additional services were offered to all three groups, though by a considerably smaller number of PES. These included placement, education and training, transition to work support and group work (e.g. motivational training).

The 2016 survey focused on the most important ALMPs for specific sub-groups among job-seeking clients: young jobseekers, long-term unemployed, older workers, as well as for some other categories.

The main ALMPs available for all three sub-groups were training and/or employment incentives. In total, 23 PES offered these, and this figure deviated little across the three sub-groups. In total, 14 PES offered supported employment and rehabilitation, again with little variation in this number between the three sub-groups. The two remaining types of ALMPs were far less widespread amongst PES, with direct job creation offered by 5 PES and start-up incentives by 8 PES.

Although the relative importance of services and ALMPs offered was similar for the three groups in 2015, some small differences in emphasis were emerging as follows:

- For young people, the importance of education and training, as well as start-up incentives was more prominent;

- PES tended to be more likely to offer supported employment and rehabilitation to the LTU; and
- Employment incentives were slightly less often offered to older workers.

In all three cases, the difference in absolute numbers was in the range of three to four PES offering or not offering such a service to a specific sub-group.

From the information collected in 2016, it is clear that various PES do tend to utilise a more tailored package of ALMPs for different target groups. This is partly the result of the introduction of new specific measures for individual groups and partly due to the tailored approach only becoming visible when the intervention offered is disaggregated into its component parts.

Training and employment incentives are still the main measures used for helping the three client sub-groups. However, taking into account the new measures introduced since the previous report (section 4.2), a possible new trend can be detected where PES have increased the emphasis on learning in measures for youth and on direct entry into employment for LTU and older workers. When comparing the ALMP packages between the two years, those for young jobseekers have gained a stronger focus on training, while training measures are less often found among the main ALMPs used by PES for LTU and older workers. The classification used for the current year also distinguishes learning within companies, and PES more often report this type of measure for young people than they do for the two other sub-groups. However, employment incentives are now less prominent for young people and have become more common for older workers.

A number of PES also mentioned counselling as an important ALMP for the three sub-groups. This does not necessarily just cover the counselling given as part of the regular PES services, but more refers to external counselling or specific counselling programmes, and possibly the use of coaches and mentors to help ensure jobseekers remain in work. This is not the same as career guidance (which is also widely offered).

Table 10 Main type of measures used for target groups (number of PES)

	Young people	No	LTU	No	50+	No
Training	AT, BE-Actiris, BG, CZ, DK, EE, EL, ES, FR, HR, HU, IS, IT, LT, LV, LU, PL, SE, SK, SI	20	AT, BG, CZ, DE, EE, ES, FI, HU, IS, PT, SE, SK, SI	13	BE-Actiris, BG, EE, FI, HU, IS, LT, LU, PT, SE, SK, SI	12
Employment incentives for employers (wage cost reductions, subsidies)	BG, DK, FI, HR, HU, IS, IT, LT, LV, LU, PL, PT, RO, SK, SI	15	BG, CY, DE, DK, EE, EL, FI, FR, HR, HU, IS, LT, LU, LV, MT, NO, PT, RO, SE, SK, SI	21	BE-VDAB, BG, DE, DK, EL, FI, HR, HU, IS, LT, LU, LV, LU, MT, NO, PL, PT, RO, SE, SK, SI	21
Workplace learning, work experience, traineeships	BE-VDAB, CY, DE, DK, EE, EL, FI, FR, IT, LV, LU, PT, RO, SE, SK, SI, UK	17	BE-VDAB, CY, DK, EE, FI, FR, PT, SE, SI	9	DK, EE, FI, LU, SE, SI, UK	7
Supported (sheltered) employment and rehabilitation*	FI, IS, SE	3	AT, DE, FI, IS, SE	5	FI, IS, SE	3
Direct job creation	CZ	1	CZ, DE, EL, FR, LT, MT, PT, SK	8	CZ, PT, SK	3
Start-up incentives	BE- Actiris, CY, FI, HU, IT, PL, PT, SE	8	HU, SE	2	BE-Actiris, HU, SE	3

	Young people	No	LTU	No	50+	No
Counselling (external or specialised), coaching or mentor support	BE-VDAB, CZ, DK, EL, ES, FI, FR, HU, IT, NO, SE	11	AT, BE-VDAB, CZ, DE, DK, EE, FI, HU, SE, UK	10	AT, BE-Actiris, BE-VDAB, CZ, DK, EE, HU, UK	8

Source: Responses to PES Capacity Report questionnaire 2016

Note: For the NL, no data were available.

Note: The measures under the Youth Guarantee were not always specified in the replies to the survey. A certain degree of underreporting is therefore possible. As indicated in the introduction, a separate report discusses the YG in detail.

Not included in the above are apprenticeships schemes, such as for young people (in DE, EL, FI, FR and IT) and for LTU and older workers (in RO and LU). Furthermore, geographical mobility incentives for jobseekers exist in for example Hungary and Romania.

Young jobseekers

The main measures for young people aim at increasing their skills and qualifications through training and workplace-based learning.

Training is usually delivered as traditional course-based provision, but other options are also evident among the PES. BE-Actiris and Poland, for example, provide training vouchers. In Denmark, young jobseekers receiving education benefits are required to make suggestions as to which education is best suited to their needs. For young jobseekers, training can also include vocational education, as is the case in Latvia and Iceland. Germany provides initial vocational education in specialised institutions (*Berufsausbildung in außerbetrieblichen Einrichtungen BaE*) for young people with learning difficulties or social disadvantages.

Workplace-based learning takes various forms. In Romania, for example, subsidies are offered to higher education graduates to take up internships. In Portugal, the Youth Guarantee scheme places strong emphasis on traineeships, while in Denmark the PES also offers practical work training in enterprises to young jobseekers.

Long-term Unemployed

The main measures for the LTU are **employment incentives** to encourage employers to hire the LTU by offering a financial incentive. This can take the form of a reduction in or exemption from social security contributions, but are typically found as subsidies to cover part of the wage costs for a specific period (six or 12 months is common). In Germany, for example, a federal programme is operating (with some ESF contribution) for those who are considered to be far from the labour market, are LTU and entitled to benefits. Under this programme, employers receive a wage subsidy of up to 75% of the total wage paid, along with counselling and support through the PES services to employers. The unemployed participants in the programme receive a wage and coaching from the PES and, where appropriate, have access to acquiring a work-related qualification or qualifications to improve their basic competences.

Employment incentives should be distinguished from direct job creation measures, which are not extensively used among PES. However, the German Federal Programme known as 'social participation in the labour market' or community service jobs, require that any employment opportunities created have to be additional, must fit the public interest criteria and be neutral in their effect on current employment (i.e. they must not compete with regular jobs).

Older workers

Employment incentives are also the main instrument used to support **older workers** to re-enter the labour market. BE-Actiris offers a good example of a comprehensive set of measures for older workers with more common measures such as training and assistance

in starting a business, but also including outplacement for those aged 45 and over. The PES also developed a diversity plan to raise awareness amongst the Brussels business world in order to pursue a more diverse workforce, including notably older workers.

Newly arrived immigrants

Some PES reported on measures for newly arrived migrants and refugees, a client sub-group of increasing importance to many countries. In Sweden, the PES can now access additional education opportunities for newly arrived migrants with foreign education in conjunction with universities. In 2016, the Swedish government also assigned the PES to conduct skills assessments of newly arrived migrants during their asylum-seeking period, focusing on their educational background and work experience. Sweden now has a comprehensive set of measures to assist migrant jobseekers including the following:

- Introduction Programme – consisting of an Introduction Plan with activities to facilitate and speed up the person’s introduction into the labour market (e.g. Swedish language studies, civic orientation and employment preparation).
- Special Recruitment Incentive - an Entry Recruitment Incentive offering subsidised employment combined with Swedish language studies.
- New start jobs – subsidised employment for newly arrived migrants and LTU and is used extensively within and after the Introduction Programme.
- Folk High School Education - six months of coherent training, including Swedish language studies, civic orientation and preparatory actions.
- Supported Work Experience with supervision.
- Practical Foundation Year – supported work experience combined with theoretical training and, if necessary, Swedish language studies.
- Fast tracks – collaboration between the PES and employers to help newly arrived migrants find the right jobs and reduce the time from their arrival in the country to entering employment.

4.4 Availability for work checks and sanctions regimes

Being available for work can be a requirement for registration with the PES and/or for receipt of unemployment benefits. Most PES are involved in monitoring this, whether they are directly responsible for the payment of benefits or not. The PES in BG, HU, LT, RO are the only four reporting that they do not check the availability for work of people registered with them. In Germany, the PES is involved, but the requirement only applies to jobseekers in receipt of social assistance.

The information on the ways in which availability for work is being checked is variable, but a common approach is checking on their availability at the point of first registration. Some PES repeat this check after one year (AT, BE-Actiris), every year (EL), every quarter (ES), monthly (FR, IS, LU, SE, SK) or even weekly (DK and MT). In Malta, the unemployed have to confirm their availability for work by physically renewing registration every week at a designated place using a fingerprint recognition system. A number of PES perform these checks on a continuous basis using, for example, the unemployed person’s personal electronic logbook (NL), or evidence on work search activities presented in fortnightly interviews (UK). Many countries report ad-hoc checks if suspicion arises over a client’s availability for work.

The availability for work test is one of the criteria that, if not met by jobseekers, can result in sanctioning. Sanctions can take the form of a temporary reduction of the level of benefits, temporary or permanent discontinuation of benefits, or the suspension of their registration at the PES (i.e. removal from the unemployment register). Some form of sanctions is applied in all countries, even in those countries where no legal provisions exist. In Cyprus, for example, this is standard PES practice. In Germany, a provision is

used with a comparable function ('periods of exclusion from benefits' in the case of unemployment insurance recipients).

Failure to accept a job offer is a commonly used indicator to determine if the jobseeker is purposely not being available for work, though some countries include a limitation on job offers to what can be considered 'reasonable, suitable, appropriate' offers or 'repeated refusal'. A second commonly applied criterion is the jobseeker's cooperation in activation strategies. This includes acceptance of ALMP offers, preparation of an individual action plan, and compliance with the provision and actions agreed in this plan. A third frequently used reason for sanctioning is the failure of the jobseekers to show up for interviews with the PES or benefit office. Other grounds for sanctioning include not updating contact details (BG, FI), illegal work (CZ) and providing false information or fraud (FR, NL, SI).

Table 11 Main grounds for sanctioning*

Ground	PES	No. of PES	In % of PES for which information was available
Refusal of job offer	AT, BE-Actiris, BG, CY, CZ, DE, DK, FI, FR, HR, HU, IS, IT, LT, LU, LV, MT, PL, RO,	19	76.0
Not accepting ALMP offer or drop out	BG, DE, DK, FI, FR, HR, HU, IS, IT, LT, MT, PL, PT, RO, SI, UK	16	64.0
No-show at interview PES/UB office	AT, BE-Actiris, BG, DE, EL, FI, FR, HR, IS, LU, PL, PT, UK	13	52.0
Non-cooperation or non-compliance with action plan	BE-VDAB, CZ, DE, FI, FR, HR, LT, LU, PT, SE, SI	11	44.0

Source: Responses to PES Capacity Report questionnaire 2016

* For seven PES, no information on the specific grounds for sanctioning was available: BE-Forem, EE, ES, IE, NL, NO and SK.

For 17 PES, information was available on the number of jobseekers that were sanctioned. The total number amounted to 2,718,469 in 2015. For comparison, the countries concerned had 9,314,247 jobseekers on 30 April of that year. Typically, the second quarter of the year is the quarter least influenced by seasonal factors. On this basis, the share of jobseekers affected by sanctions would amount to 29%. A year later, on 30 April 2016, the number of sanctioned jobseekers amounted to 8,567,442. Even if this reflects a gradual decrease in the number of jobseekers in 2015, it would have a minimal effect on the share of sanctioned jobseekers only: an increase to 32%.

4.5 Target setting

4.5.1 The use of targets by PES

Most PES set targets for their performance in assisting jobseekers to enter (or re-enter) the labour market¹⁵. Exceptions are the PES in CY, ES, IE, and IT, three of which also do not set targets for specific sub-groups (IE does set targets for youth and LTU). Among those PES that do set targets, two (PT and SK) only set them for (unemployed) jobseekers in general and not for specific sub-groups.

In total, 26 PES set some sort of targets for all jobseekers¹⁶. For young people, this number is only slightly fewer (24), but for LTU it is far fewer (17). Additionally, some PES

¹⁵ Targets related to passive support (e.g. the provision of unemployment benefits) are not included in this. Neither are customer satisfaction targets.

¹⁶ It is assumed these are usually unemployed jobseekers.

mentioned other targets they set, such as for older workers (SI). Targets for LTU are often not set in BE, CY, EL, ES, HU, IT, PT, and SK (Table 12).

The questionnaire specifically addressed targets related to Individual Action Plans (IAP) and ALMPs, and invited PES to add other types of targets. In Table 12, those PES with similar types of targets are grouped together. The first group are those PES with a relatively high number of other ALMP-related¹⁷ targets besides those related to IAPs and ALMPs. Luxembourg, for example, also has targets for those aged 50 & over and for disabled clients. The highest numbers are found in Denmark. In addition, the BE-VDAB has set few targets for IAPs and ALMPs, but has many other targets. Analysis of the other targets formulated by PES revealed three issues to expand on:

- Results targets
- Targets for employers
- Approach to using targets

These are discussed in the remainder of this section following a more detailed discussion of the targets set for IAPs and ALMPs in section 4.5.

Table 12 Target-setting in PES, general, for young people and for LTU, in terms of Y/N individual actions plans (IAPs) or placements in ALMPs and number of other targets (O)

PES	Targets (general)				Young people				LTU			
	Y/N	IAP	ALMP	O	Y/N	IAP	ALMP	O	Y/N	IAP	ALMP	O
Both general and specific targets - relatively large number of targets												
AT	Y	N	N	5	Y	N	Y	0	Y	N	Y	0
DE	Y	N	N	9	Y	N	N	5	Y	N	N	1
EE	Y	Y	N	5	Y	Y	Y	0	Y	Y	Y	1
FI	Y	Y	N	2	Y	Y	Y	2	Y	Y	N	1
FR	Y	ni	Y	5	Y	ni	Y	0	Y	ni	Y	1
HR	Y	Y	Y	1	Y	Y	Y	2	Y	Y	Y	2
LV	Y	Y	N	4	Y	Y	Y	1	Y	Y	N	1
SE	Y	Y	N	0	Y	Y	Y	2	Y	Y	Y	3
SI	Y	Y	N	2	Y	N	Y	1	Y	N	N	1
UK	Y	Y	Y	0	Y	Y	Y	0	Y	Y	Y	0
Both general and specific targets - other												
CZ	Y	y	N	0	Y	N	N	1	Y	N	N	1
DK	Y	Y	Y	1	Y	ni	Y	ni	Y	ni	Y	ni
IS	Y	Y	Y	ni	Y	Y	Y	0	Y	Y	Y	0
LT	Y	Y	Y	0	Y	Y	Y	0	Y	Y	Y	0
LU	Y	Y	Y	0	Y	Y	Y	0	Y	Y	N	0
MT	Y	Y	Y	1	Y	N	Y	1	Y	Y	Y	0
RO	Y	Y	Y	0	Y	Y	Y	0	Y	Y	Y	0
General and youth targets												
BE - Actiris	Y	Y	N	1	Y	Y	N	2	N	na	na	0
BE - Forem	Y	N	N	1	Y	N	N	1	N	na	na	0
BE - VDAB	Y	N	N	8	Y	N	N	2	N	na	na	0
BG	Y	Y	N	N	Y	Y	N	N	N	na	na	0
EL	Y	y	N	0	Y	Y	Y	0	N	na	na	0
HU	Y	y	Y	0	Y	Y	Y	0	N	na	na	0
PL	Y	Y	Y	1	Y	Y	Y	1	N	na	na	0
Only general targets												
PT	Y	N	Y	1	N	na	na	0	N	na	na	0
SK	Y	N	na	0	N	na	na	0	N	na	na	0
Only specific targets												
IE	N	na	na	0	Y	N	N	1	Y	N	Y	0
No targets												
CY	N	na	na	0	N	na	na	0	N	na	na	0

¹⁷ Targets related to the administration of benefits (e.g. FR) were not included in the analysis.

PES	Targets (general)				Young people				LTU			
	N	na	na	0	N	na	na	0	N	na	na	0
ES	N	na	na	0	N	na	na	0	N	na	na	0
IT	N	na	na	0	N	na	na	0	N	na	na	0
TOTAL YES	26	20	12	16	24	14	18	14	17	9	12	9

Source: 2016 questionnaire responses by PES

ni = no information, na = not applicable

Note: No information on targeting was available for the NL and NO.

Note: Not including targets set for processing benefits.

Note: Specific targets often seem the same as the general ones and were then apparently monitored for specific groups. As a result, the number of PES with targets for specific groups is overestimated. If no monitoring data were available (e.g. Slovenia specifically indicated they did not monitor it by group) then it was assumed that the PES did not have specific targets.

The Netherlands PES was not included in the analysis of targets since no relevant information was available on targets¹⁸. One of the reasons for this is that reintegration of the unemployed on social assistance benefits is the responsibility of municipalities, which often have private companies implement ALMPs. Therefore, the PES no longer collects information on the implementation of ALMPs. This is also the case for Denmark, where information on targets and their achievements is also limited. However, Danish law does set overall targets for placement in ALMPs, which depend on age, with the requirement that young and older workers be placed in an ALMP within 3 months, instead of 6 months for jobseekers aged between 30-49 years. In Spain, the autonomous regions (*comunidades*) also have their own programmes and are likely to set their own targets, which means that the national figures may underestimate target-setting and over or underestimate target achievements.

In the UK, the Work Programme is designed to help people who are at risk of becoming long-term unemployed and in contrast to previous welfare-to-work programmes, gives externally contracted providers far greater flexibility to design programmes that will work, using their experience and creativity, underpinned by a payment-by-results system that incentivises contractors to find sustainable work for their clients. The PES and its parent government department (Work and Pensions) closely monitor the performance of providers and use this information to make adjustments to the provision. However, the contracting out also means that some of the information is commercially sensitive and so may not be widely available.

4.5.2 Targets for IAPs and ALMPs

Individual action plans

Most of the PES that set general targets include a target for agreeing to IAPs with jobseekers (20 out of 26). Since such targets apply to all jobseekers, they also apply to specific target groups. Nevertheless, various PES do report also setting targets for the agreement of IAPs for young people and LTU (14 and 9 PES respectively).

Some of those PES setting specific targets set more stringent conditions for young people. In Belgium-Actiris, Bulgaria, Iceland and Lithuania, for example, the target for youth foresees a shorter time between registration and the preparation for the specific action plan than for other jobseekers. The Greek PES sets higher targets for agreeing to IAPs for young people (100%) than the general target of 80%. Other PES apply the general targets to young people, but monitor their achievement for different groups. Some PES explicitly indicated that the targets do apply to all jobseekers, but are not

¹⁸ This is not to say that the PES does not apply targets at all. UWV-werkbedrijf has amongst others targets for their service offer to unemployment insurance claimants, results in terms of exits to employment before and after 23 months and on client satisfaction.

monitored for youth separately (e.g. FI, SI). The targets for agreeing to IAPs do not always specify a time frame. Sometimes, there is a legal obligation for jobseekers to cooperate in the preparation of their IAP (e.g. EE, LV), and it is monitored whether they sign one or not.

Participation in ALMPs

Targets relating to ALMPs are less common than those for IAPs, with just 12 PES having them for jobseekers in general. They are more often found for specific target groups, for example 18 PES formulate them for youth and 12 PES do so for LTU.

Targets related to the participation of jobseekers in ALMPs usually focus on the entry into such programmes. This can be a target for offering an ALMP to jobseekers within a certain time frame (PL, SI), or a target such as in Malta where the PES measures each meeting with an employment advisor resulting in a referral to an employment measure, a training measure or an employment/training scheme. The PES in Croatia has a general target for placements in ALMPs, but in addition aims that young jobseekers receive individual counselling and a weekly individual consultation within 15 days of entering the unemployment register. These are more short-term interventions in comparison to the counselling, and include multichannel contacts between the employment counsellor and the unemployed to give information or advice on vacancies, outcomes of job applications and activities directed to preparing for employment, as stated in the IAP. Individual consultation can be delivered face-to-face, by e-mail, phone or online. As an example of a refined set of targets combining target groups and specific ALMPs, the following targets applied by the Austria PES are listed:

- Start work of *older* (>45) persons within 6 months
- Start work or training of *job returners*
- Start of employment after training within 3 months
- Start of employment of women after a highly skilled training within 3 months
- Start of employment of migrants after training within 3 months

In most cases the measurement of ALMP targets concerns the number of placements. Typically, targets formulated by PES specify the number of people placed in ALMPs in total over a specified period (e.g. one year) as the target, though there are a few exceptions. For example, Hungary has output targets set for specific ALMPs, such as the Youth Guarantee. Greece has a target for the placement of young people into the apprenticeship programme at EPAS Apprenticeship Vocational Schools. In Latvia, the PES sets a target for the average number of days from the registration of unemployed young people to their activation. However, activation can mean activated unemployed, employment or involvement in an active measure organised by the PES. Targets are set for the number of participants in, for example, non-formal education programmes, vocational education and training programmes, subsidised workplaces for unemployed youth (unemployed youth with disability, disadvantaged youth), etc.

4.5.3 Results targets

Estonia is one of the few PES that has a series of targets based on results for participation in ALMPs. The Development Plan of the PES sets out national targets for participation in ALMPs for unemployed, young people, and the LTU. However, it also has targets for the rate of entrance into employment for the LTU, newly registered unemployed, unemployment benefit recipients, and for disabled jobseekers. For young people, the indicator combines the outflow into work or into ALMPs. Another target focuses on the average monthly percentage of unemployed, disabled and LTU in the total of registered jobseekers.

Similarly, in Sweden the PES has targets for LTU, namely that part of the population registered as unemployed and without a job for under 12 months; that part of the population registered as unemployed for more than 12 months that finds a job or an education; and another target for those unemployed for between 6-12 months.

In Ireland, the PES uses a variety of indicators, the results of which include:

- Beginning in 2016, transfer 50,000 LTU into employment by the end of 2020.
- Reduce the persistence rate by a quarter, from 27% to 20% by the end of 2018.
- Increase the exit rate of people in the Live Register for two years or more by 30% (to 52%) by the end of 2018.
- Reduce the ratio between youth and overall unemployment from 2.2:1 to less than 2:1 by the end of 2017 (EU average = 2.2:1).

An example of a very detailed set of results indicators is provided by the BE-VDAB, and set out in the table below.

Table 13 Results indicators used in Flanders (BE-VDAB)

Action	Target & Numeric qualitative satisfaction measuring of our customers	Achievement (% clients processed corresponding to the target)
Effect: Outflow to work	Increase (in comparison with the same quarter a year ago, in this case always 2016Q1 vs 2015Q1) (1) 6 months after inflow (<25y) (2) 12 months after inflow (<25y) (3) 6 months after inflow (25-54y) (4) 12 months after inflow (25-54y) (5) 6 months after inflow (>=55y) (6) 12 months after inflow (>=55y) (7) 3 months after competence enhancement (vocational training)	(1) 62% (vs 59%) (2) 58% (vs 54%) (3) 46% (vs 42%) (4) 50% (vs 48%) (5) 32% (vs 27%) (6) 17% (vs 25%) (7) 57% (vs 55%)
Effect: Fulfilment of vacancies	Increase (in comparison with the same quarter a year ago, in this case always 2016Q1 vs 2015Q1) (1) Vacancies in shared management, 3 months after they were filed (2) Vacancies managed by the employer, 3 months after they were filed	(1) 60% (vs 67%) (2) 38% (vs 40%)

4.5.4 Employers

Although not specifically asked for by the questionnaire, some PES mentioned targets they set for service delivery to employers.

For example, the French PES has developed a series of targets or 'commitments to employers' as follows:

- Rate of vacancies in the "accompagnement" scheme filled by the placement of a jobseeker registered
- Rate of vacancies in the "accompagnement" scheme filled by the PES
- Satisfaction rate of employers concerning their last job offer processing
- Proportion of registered jobseekers with an online CV (on PES website)
- Satisfaction rate of employers concerning the digital services
- Rate of state-supported contracts delivered: Job for future contracts and other subsidised contracts CUI/CAE

Iceland has developed a target for services to employers who have advertised for staff. The target is to advertise within 24 hours and send a minimum of five suitable CVs to an

employer within two days. This is linked to the PES objective to actively work towards a more positive image and better knowledge of its services to employers. To this end, in 2015 they launched a promotional team targeting employers and also formed a special working group, tasked with improving the online interface with employers.

In 2015, both France and Iceland introduced counsellors dedicated to employers, full-time in Iceland, and working 80% of their time on employer-related activities in France.

In the BE-VDAB, there are no counsellors exclusively working for employers, but they have sought to strengthen their relationship with employers. The aim is to ensure that employers receive tailor-made services, that employers are empowered, and that they recognise the added value of diversity. The activities include the following:

- Increase (in comparison with the last quarter (2016Q1 vs 2015Q4)):
 - (1) Vacancies managed by the employer, with follow up by VDAB two months after registration
 - (2) Vacancies for which the employer requests service, with a service offer within 5 days
- Increase (in comparison with the last quarter(2016Q1 vs 2015Q4)):
 - (1) Vacancies for which the employer delivers feedback about the candidates
- Increase (in comparison with the last quarter (2016Q1 vs 2015Q4)):
 - (1) Number of priority clients in competence enhancement in the workplace
 - (2) Number of priority clients in explicit application assignments

4.5.5 Approaches to the use of targets

The German PES does not set targets as such, but does set objectives to which concrete (SMART) indicators are attached. The PES monitors the achievements for each indicator as information becomes available. For example, for those in receipt of unemployment insurance benefits, the following objectives and indicators are used:

- Decentralised management: for the objective of decentralised planning of budget and entries into labour market policy measures for the next year, monthly monitoring occurs of annually distributed entry volumes per measure compared with the previous year
- Activation period: after initiating contact with the customer, the PES aims to determine the needs and recommend measures as early as possible. The number of days is measured starting with the first contact to entry into the measure.
- Graduate management: the aim is for all participants of measures to enter the labour market in the shortest time possible after they finished the measure. The number of days between finishing the programme and integration into the labour market is measured.
- Integration rate: the PES aims to increase the number of participants integrated into the labour market as a result of further training measures. This is reflected in the proportion of those participants who receive employment covered by social security within 6 months after finishing the measure.
- Drop-out rate: the PES wants as many participants as possible to finish the measure and this is reflected by the drop-out rate. The reasons behind the drop-out can also be analysed.

The BE-VDAB PES has installed a number of indicators on the results they want to achieve, and on the critical success factors leading to those results. These indicators have directional targets such as 'should increase' or 'should decrease' (i.e. not meeting the SMART criteria). On the operational level, the PES works with alerts ('traffic lights') on the files of individual clients to indicate they might need a certain service. The aim is to ensure that every client receives the right service (personal or not), and they can be used by counsellors and team leaders to balance the workload. The least urgent alerts are yellow, indicating that a client has not received job offers in the last four weeks. They signal to counsellors that action might be appropriate. The orange alerts indicate (vulnerable or priority) clients for which the right service level has not yet been determined; these clients should then become the priority for counsellors. The red alerts

indicate clients for which action is compulsory because the deadline for the evaluation of their job-seeking attitudes is near.

Like target-setting and monitoring, the monitoring of indicators can be used as a management tool to steer the performance of staff and organisations in the desired direction. Continuous monitoring may in fact provide a basis (benchmark) for future targets.

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