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**PART 6/9** 

## COMMISSION STAFF WORKING DOCUMENT

**CASE STUDY - IRELAND** 

Accompanying the document

## REPORT FROM THE COMMISSION TO THE COUNCIL

on the evaluation of the Council Recommendation on the integration of the long-term unemployed into the labour market

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# CASE STUDY – IRELAND<sup>1</sup>

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<sup>1</sup>Study supporting the evaluation of the Council Recommendation on the integration of long-term unemployed into the labour market, Ramboll Management consortium for the European Commission, 2019

#### 1. INTRODUCTION

The objective of this report is to assess and explore the actions taken at national and local level in Ireland in response to the Recommendation on the integration of the long-term unemployed into the labour market (2016/C 67/01) (hereafter 'the Recommendation'). The aim is to establish whether and how the Recommendation has influenced policy, funding, activities, and long-term unemployment<sup>2</sup> in Ireland

## 1.1 Context of the implementation of the Recommendation

#### 1.1.1 Evolution of labour market situation

In Ireland, long-term unemployment rose sharply during the recession, from 31,000 in 2007 to a peak of 216,000 in early 2012 (62% of the unemployed at that time). However, from 2014 to 2017 the long-term unemployment rate dropped from 6.5% to 3% and the share of long-term unemployed in total unemployment decreased from 62% to 51.2% with the share continuing to fall at the start of 2018<sup>3</sup> (see Figure 1), fuelled by quick economic growth after the recession. More broadly the overall unemployment rate dropped from 10.5% to 5.8% between 2014 and 2017. This growth was stimulated by pick-up in exports initially, and later by recovery in domestic demand. As a result, the gap in proportions between long-term unemployment rate and short-term unemployment rate has converged and as shown in Figure 2 below, overall trends appear to have reversed. Nonetheless long-term unemployment has shown an encouraging decline since the economic crisis.

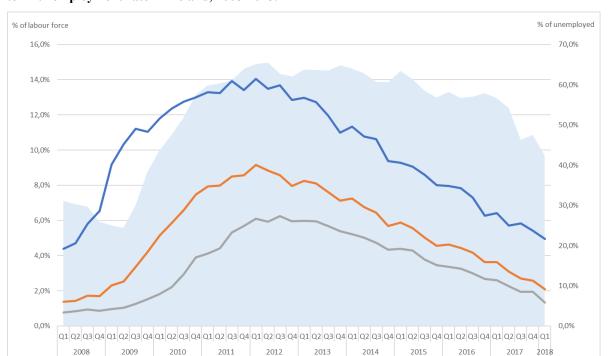


Figure 1: Long-term unemployed share, unemployment rate, long-term unemployment rate, and very long-term unemployment rate in Ireland, 2008-2018.<sup>4</sup>

Source: Eurostat

Long-term unemployment rate

Unemployment rate

Long-term unemployed share (rhs)

<sup>&</sup>lt;sup>2</sup> Long-term unemployment refers to unemployment (ILO/Eurostat definition) lasting for more than one year, with Eurostat data presented here including adults between the ages of 25 and 64 years old.

<sup>&</sup>lt;sup>3</sup> Available Eurostat data shows the share of long-term unemployment at 42.3% for Q1 2018.

<sup>&</sup>lt;sup>4</sup> There is a break in Eurostat data series in Q1 2007, Q3 2017, Q1 2018.

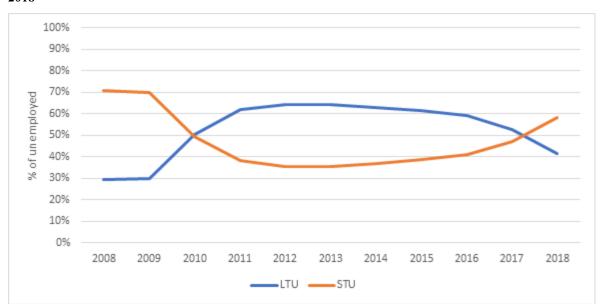


Figure 2: Long-term unemployment (LTU) versus short-term unemployment (STU) rate in Ireland, 2008 - 2018

Source: Eurostat Note: data for 2018 is based on Q1 and Q2 only.

According to the OECD,<sup>5</sup> the most common employment obstacles to employment in Ireland are **limited work experience, low skill levels, and scarce job opportunities**. A further key finding from the OECD is that just under 40% of jobseekers or low-intensity workers in Ireland face multiple barriers to employment. This ultimately underlines the need for policy approaches to take a multi-pronged approach rather than focusing on particular obstacles in isolation. Table 1 also shows that low-skilled jobseekers are more likely to be long-term unemployed than those with medium to high education levels. Gender disparities are also particularly noticeable in Ireland:<sup>6</sup> despite decreases in proportions of both male and female long-term unemployed between 2014-2017, a larger proportion of men are long-term unemployed compared to women. Jobseekers in older age groups (55-64) are more affected by long-term unemployment than those aged 25-54.

Table 1: Long-term unemployment rates (unemployed for more than 12 months) in Ireland, 2014-2017

			LTU 1	rate (>1	2 mont	hs)		
Country	Total	E	ducation lev	el	G	Sender	A	ge
	1 Otal	Low	Medium	High	Men	Women	25-54	55-64
2014	6.5	14.4	7.8	3.0	7.7	5.2	6.5	7.0
2017	3	7.2	3.9	1.3	3.4	2.5	2.9	3.6

Source: EMCO monitoring data 2014-2017

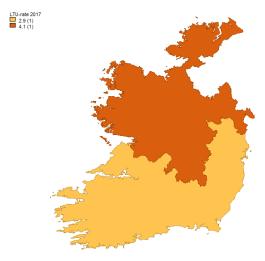
There is a clear regional divide with regards to the long-term unemployment rate in Ireland (see Figure 3). Areas with higher population density (and major urban centres) such as the regions Southern and Eastern have lower rates of long-term unemployment (2.9%) compared with the regions Border, Midlands and Western (4.1%).

<sup>&</sup>lt;sup>5</sup> https://www.oecd-ilibrary.org/docserver/40958439-

en.pdf?expires=1543315843&id=id&accname=guest&checksum=1A5093019743289B46B8F700CFEC2A3D

<sup>&</sup>lt;sup>6</sup> https://openknowledge.worldbank.org/bitstream/handle/10986/29618/Synthesis-Note.pdf?sequence=1&isAllowed=y

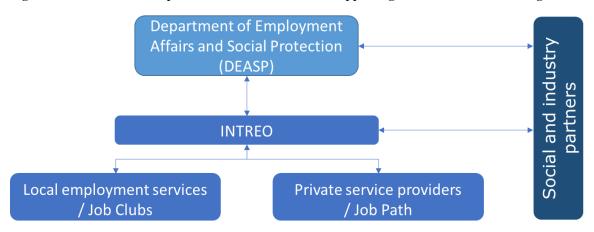
Figure 3: Long-term unemployment (LTU) rate in Ireland 2017



Source: Eurostat

## 1.1.2 Institutional framework for providing support to the long-term unemployed

Figure 4: Institutional set-up of stakeholders involved in supporting LTU labour market integration



The Department of Employment Affairs and Social Protection (DEASP) is the centralised national public employment service in Ireland. It delivers employment and entitlement services through the one-stop shop model of Intreo. DEASP also cooperates with a set of actors for carrying out policies and support to the long-term unemployed:

- The delivery of JobPath services to the long-term unemployed is contracted to two private companies, Turas Nua and Seetec;<sup>7</sup>
- Local employment services, in particular mediators;
- Job Clubs;
- Enterprise Agencies and representatives (Chambers of Commerce Ireland, the Irish Business);
- Employers' Confederation (IBEC), Irish Small and Medium Enterprises (ISME);
- Training organisations.

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<sup>&</sup>lt;sup>7</sup> Since July 2015, some long-term unemployed have been referred to these private providers to receive intensive support to work through the Job Path programme. They also receive additional support for their first year of employment when they find work.

#### 2. IMPLEMENTATION OF THE RECOMMENDATION

## 2.1 Progress on implementation of the Recommendation

This section outlines the progress on the implementation of measures proposed in the Recommendation. It provides an overview of policy and practice changes in relation to:

- Registration of long-term unemployed
- Individualised support
- Coordination of support
- Cooperation with employers

The assessment of progress takes into account the expected impact from the 2015 Commission Staff Working Document accompanying the proposal for a Council Recommendation,<sup>8</sup> and is based on the mapping of policy changes, self-assessments by Member States and stakeholder consultations during field work. When available, indicators on outputs and results are included in the analysis.

Interviews were carried out with stakeholders at national and regional levels. They included representatives from the Department of Employment Affairs and Social Protection (DEASP), as well as Intreo caseworkers based in Longford (Midland region). Due to organisational barriers and data protection regulations it was not possible to conduct focus groups with people who are long-term unemployed at the local level. Qualitative inputs in this case study are thus predominantly of a high-policy nature, supplemented by observations and interviews from a regional service-delivery perspective.

Figure 5 summarises the progress on the implementation of the Recommendation on the integration of the long-term unemployed in the labour market by comparing the picture prior to the Recommendation (H1 2015) with the situation since.

<sup>&</sup>lt;sup>8</sup> European Union, European Commission, Commission Staff Working Document, Document Accompanying the document Proposal for a Council Recommendation on the integration of the long-term unemployed into the labour market (2015) 176

Coverage of registration

Links with employers

Single Point of Contact

Coordination mechanisms

Figure 5: Quality of measures - Ireland9

Source: Quality rating national expert

## 2.1.1 Registration of long-term unemployed

## **Baseline and development**

According to the mapping of policy changes, measures targeting registration of people who are long-term unemployment did not exist at the baseline for the evaluation in H1 2015. Since then changes have been implemented, in particular through the provision of information to non-registered people on the support available to seek a job on an individual basis and new services to encourage people who are long-term unemployment to remain registered (even if they are no longer entitled to benefits). No data exists from Eurostat LFS on share of registered long-term unemployed, nor did the 2015 Commission Staff Working Document accompanying the proposal for a Council Recommendation include data for Ireland on this aspect of the Recommendation. As such it has not been possible to analyse the impact of registration rates.

The quality rating provided by the national expert for **coverage of registration** improved from 2 in H1 2015, to 3 in May 2018. Whilst an improvement has been recorded, it should be noted that the change was relatively small, and largely reflects the dissemination of more promotional materials for the unemployed on services available after the baseline period.

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<sup>&</sup>lt;sup>9</sup> Quality ratings ranged from 1–5 whereby: **1 (low)** = no or basic implementation only, only on an ad hoc basis or not fully integrated into the overall services package; significant room for improvement; **2 (low-medium)** = More than just a basic implementation but falls short of being routinely implemented at national level and integrated into the overall service package; significant room for improvement; **3 (medium)** = Routinely implemented and integrated into the overall service package but recognise that the service/function falls short of guiding elements of the Recommendation guidance; **4 (medium-high)** = Established and well developed service/function that fulfils most guiding elements of the Recommendation but falls short of realising all of them; **5 (high)** = Established and well developed service/function that fulfils all the guiding elements of the Recommendation. This implies that mechanisms to constantly monitor performance and develop the service/function on the basis of what is or is not working well should be in place.

## Case study findings

The Recommendation was a signal that supported Ireland's **policy-shift in perspective from prioritisation of short-term unemployment to long-term unemployment at national level**. As mentioned above, minor changes to registration included the increased provision of information to non-registered unemployed persons on individual support available. There is however, no specific concept of registered unemployed in Ireland. Rather, "registered unemployed" refers to claimants of employment benefits and credits, who are at least 18 years old and under the age of 65 and who are actively seeking work/are immediately available for work.

Interviewees at national and regional levels, as well as caseworkers, found it difficult to comment on any significant changes to the registration process itself since the Recommendation. In the words of one respondent at national level, "registration was always there". Caseworkers also confirmed that "the minute you sign on to social welfare, you get picked up by employment services". The process was however, generally found to be "strong and robust" in tracking who had joined/left the unemployment register ("live register") or progressed onto activation schemes.

## 2.1.2 Individualised support

#### **Baseline**

In the 2015 Commission Staff Working Document accompanying the proposal for a Council Recommendation it was considered that the recommendation on individualisation of support would have no or limited impact in Ireland.

According to the mapping of policy changes measures were already in place in H1 2015 for individual assessments and personalised guidance of long-term unemployed at the latest at 18 months of unemployment. These assessments covered education/work experience, distance from available jobs, and health/substance abuse.

The quality rating provided by the national expert for **individual assessments** improved from 3 to 4 in May 2018. This improvement is largely a reflection of the introduction of Jobpath which enriches the portfolio of services offered to the long-term unemployed (outlined in more detail below).

According to the mapping of policy changes, job integration agreement already existed targeting the long-term unemployed that have reached 18 months of unemployment at the baseline for the evaluation (H1 2015). The job integration agreement is stated to cover job search assistance, inwork assistance, education and training, childcare services, health and other social services, and other services not specified. In 2017 the large majority of registered people who are long-term unemployed had a job integration agreement (86.8%). In 2017 less than one in five (17.5%) of job integration agreement users exited to employment, which is quite far below the EU28 average of 23%. More than a third (37.3%) of people that received a job integration agreement in 2016 were continuously unemployed for a further 12 months, some way below the EU28 average of 44.4%. Follow-up of job integration agreement users who took up employment in 2016 suggest

<sup>&</sup>lt;sup>10</sup> EC (2018): Data collection for monitoring the integration of the long-term unemployed into the labour market 2017. Country Fiche: Ireland.

that positive outcomes are sustainable, as nearly seven out of ten (68.3%) were found to be in employment 12 months after, above the EU average of 60.7%. <sup>11</sup>

The quality rating provided by the national expert for **job integration agreements** remained the same over the period from H1 2015 to 2018: 4.

## Case study findings

While in the areas of "individualised support" (as well as "coordination of support" – see section 2.1.3 below) the 2015 Commission Staff Working Document accompanying the proposal for a Council Recommendation anticipated limited impact, given that key measures (Job integration agreements, single points of contact) were already in place prior to the Recommendation, **some progress has been achieved. This has largely been through better intergovernmental and interagency collaboration** on data-sharing, actions and support, as well as the development of a more nuanced understanding of the long-term unemployed as a group, leading to the identification of particular social groups (for example, one-parent households, Irish Travellers) still in need of more targeted actions.

In relation to this, respondents at national level noted that the Recommendation was a signal that they had chosen the correct path, adopted in 2011, of moving away from an understanding of employment services as "passive income support distributors" (with minimal intervention in the employment area), towards a new model aimed at activating jobseekers and supporting them throughout this process.

Four to six weeks after registering as unemployed, jobseekers are offered an individual assessment. This is conducted one-to-one with a caseworker, who remains the jobseeker's individual (named) contact throughout their activation process. **During the assessment, a Personal Progression Plan (PPP) is formulated.** It is a form of social agreement that records mutual commitments made by the DEASP and the jobseeker (who is given a copy). It outlines the agreed activation measures (for example, training, in-work assistance, job search assistance) that meet the jobseeker's ambitions, a schedule of meetings that the jobseeker is requested to attend, and the jobseeker's obligation to notify the DEASP if they take up employment.

The profile of the jobseeker and likelihood of becoming long-term unemployed determines interventions and support offered to them. Caseworkers also record a more detailed personal profile and an engagement support record for each jobseeker to inform the PPP. JobPath conduct separate profiling for people who are long-term unemployed that informs the JobPath PPP.

At policy-level, the **introduction of the PPP in 2015 was considered very effective**, since one of the challenges it was supposed to address was 'scheme hopping' without actual progression into work. The PPP thus highlights the DEASP's prioritisation of activation rather than allowing jobseekers to move between various, and not necessarily appropriate, schemes. Moreover, stakeholders found that it worked effectively at the individual level considering that this phase is compulsory for all jobseekers and sanctions can be imposed for non-engagement in the form of reduced payments where jobseekers fail, without good cause, to comply with the activation process.

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<sup>&</sup>lt;sup>11</sup> *Ibid*.

Caseworkers interviewed remarked that this **approach to individualised support has been cost-effective for the DEASP**, because it is the caseworkers who confirm whether someone is on the correct payment or if payments need to be adjusted.

Interviewees at national level also reported that feedback collected through customer satisfaction surveys of people who are long-term unemployed who were going through the JobPath process had been very positive overall, highlighting that this individualised approach to activation was well-received by the target group.

However, at national level, it was noted that a **quality assurance model should be introduced** across the activation process. At the time of the interviews, the DEASP monitored provision of training offered to people who are long-term unemployed through requiring companies to provide evidence of hours, type of work, whether it would lead to sustainable long-term employment, and collecting feedback from people who are long-term unemployed. Also, it was reported that JobPath providers were in daily communication with the DEASP when issues arose, to inspect what types of services were delivered, what materials were provided, etc. Still, introducing a quality assurance model was mentioned as requiring an explicit commitment in the DEASP's new business plan this year.

Finally, at national level, interviewees recognised that since the **number of long-term unemployed people has been steadily decreasing**, more attention needed to be paid to targeting certain social groups (adult dependants, one-parent families, carers once their caring responsibilities end). According to 2018 Social Protection Committee thematic reporting, Ireland is in fact one of only a few Member States with social inclusion strategies and is active in terms of targeting both disadvantaged geographical areas and for people with mental health issues. A key example of targeting efforts for a vulnerable group is the Comprehensive Employment Strategy for People with Disabilities 2015-2024 which reportedly plays an important role in facilitating increased participation in the labour force. Despite these efforts, interviewees nonetheless noted the need for more targeting measures; caseworkers remarked that Irish Travellers, in particular, could benefit from more actions to address generational long-term unemployment. Targeting was framed during fieldwork as something that interviewees were aware of but required more planning to fully realise with regards to the measures and areas of focus that they suggested.

## 2.1.3 Coordination of support

#### **Baseline**

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In the 2015 Commission Staff Working Document accompanying the proposal for a Council Recommendation it was considered that the recommendation on coordination 12 and transition to employment would have a limited impact in Ireland. Prior to the Recommendation, Ireland had a single point of contact in place, facilitating data sharing across organisations.

According to the mapping of policy changes, coordination mechanisms<sup>13</sup> between organisations dealing with the long-term unemployed were already in place in H1 2015. The mapping suggests that single points of contact were fully implemented in Ireland.

<sup>&</sup>lt;sup>12</sup> Coordination refers to coordination of support between support services of relevant to the long-term unemployed, including employment, social, physical and mental health, housing support services for example.

<sup>&</sup>lt;sup>13</sup> European Commission (2015) specifies two mechanisms: a systematic referral system to the support needed and data sharing mechanisms across organisations.

The quality ratings provided by the national expert for both **interinstitutional coordination and single points of contact** remained the same over the period from H1 2015 to 2018 at 4 for each.

One recent review cited by the OECD<sup>14</sup> of direct job creation programmes in Ireland suggested splitting them in two strands, one acting as an 'activation stream' for people closer to the labour market and in which they could access education or training alongside community work, with the aim of leaving the programme in one or two years. The other strand would be the 'social inclusion stream' designed for people further away from the labour market and giving the opportunity to spend longer in community work until they are prepared to enter employment. This approach – according to the assessment – may increase the overall effectiveness of these programmes in terms of their capacity to reduce long-term unemployment and could thus be considered for future policy measures going forward.

## Case study findings

According to interviewees at national level, the Recommendation prompted "a lot more joined up thinking and a more integrated approach" to tackling the issue of long-term unemployment in Ireland. On the one hand, it signalled that Ireland had made the correct move by merging income support with community engagement and education/training services and establishing a one-stop shop for jobseekers called "Intreo" in 2011. On the other hand, it resulted in more interagency collaboration of the DEASP with other government departments (for example, Department of Justice and Equality, Department of Finance, Department for Education), and other agencies (Homeless Unit, prison services, health boards, education and training boards). This approach was considered preferable to having "one centralised person who deals with all the long-term unemployment issues", since "what leads to long-term unemployment and the consequences of long-term unemployment are never limited only to employment". Interviewees also reported strong links with regional services and regional groups in communities that deal with specific social issues (such as substance abuse), as well as industry partners (such as Enterprise Ireland).

One national-level interviewee provided the example of working with training providers. Whereas before the Recommendation, the DEASP had never worked with vocational education providers, the interviewee now found that there was excellent cooperation based on open and two-way communication, with providers offering inputs into courses and advice on the most appropriate duration of them to up-skill long-term unemployed people. Moreover, Intreo and Local employment services use a **common case management system**. Relevant client data is shared with JobPath providers over a secure data transmission/application programme interface which is also used for the purpose of processing transactions between Intreo and JobPath providers.

## 2.1.4 Cooperation with employers and businesses

## **Baseline and development**

Among the interventions included in the Recommendation, two mechanisms were considered to enhance employment support: enhancing services to employers and focusing all labour market policies (ALMPs) on the competitive labour market and reducing to a minimum public works. In

<sup>&</sup>lt;sup>14</sup> https://www.oecd-ilibrary.org/docserver/40958439-en.pdf?expires=1543315843&id=id&accname=guest&checksum=1A5093019743289B46B8F700CFEC2A3D

the Commission Staff Working Document 2015 there is no specific suggestion on the extent to which the recommendation on stronger employer support would have an impact in Ireland.

According to the mapping of policy changes, measures to establish closer links with employers related to the placement of people who are long-term unemployed were limited in H1 2015. Prior to the baseline, an Employer Relations Unit had been established in 2012 at a national and local level, with the aim of developing the strategic direction of employer services and to support the delivery of employment services throughout the country. Since H1 2015, further measures were implemented, covering screening of placement support, workplace mentoring and training, and post-placement support.

The quality rating provided by the national expert for measures to **establish closer links with employers** therefore improved from 3 in H1 2015, to 4 in May 2018.

## Case study findings

Following the establishment of the Employer Relations Unit in 2012 as outlined above, an **Employer Relations Strategy was subsequently introduced for 2017-2020**. This was understood as a national section that would coordinate activities around the country within the DEASP, but also link up with other stakeholders (such as employer representative groups, industry and development authorities, Enterprise Ireland).

The Employer Relations Unit has representation of all relevant stakeholder groups to stay familiar with current and future trends and requirements of industries. This knowledge feeds into planning around training to develop jobseekers' skill sets, and matching jobseekers from the live register with national and regional job opportunities. Particularly with regards to the long-term unemployed, the Employer Relations Unit strives to provide a cohesive service, including upskilling, to suit regional employer needs. One approach taken by the unit to link long-term unemployed people directly to employers is through the organisation of job fairs, which in the past two years have gained enough momentum to now constitute "national job week". Employers are invited free of charge to have a stand, ideally advertise vacancies, and be matched with people who attend on the day. Feedback from employers and jobseekers showed satisfaction with the events of over 87%. **Employers, for the most part, were very satisfied with the results**, having received CVs from many suitable candidates at these events. Equally, jobseekers expressed positivity that they had been interviewed on the day or invited to apply for positions.

For larger-scale recruitment drives, this unit acts as the first point of call for employers, and, according to anecdotal feedback provided by one of the national-level interviewees, employers have reported high levels of satisfaction with the ease and straight-forwardness of engaging with the unit. In fact, the department has been shortlisted for one of the Civil Service Awards of Excellence, as they recruited for a new UK chain of stores, resulting in the filling of all 500 job opportunities for 7 stores nationwide.

With regards to employer engagement, national-level interviewees highlighted JobsPlus as a good practice example. Operational since 2013, this is a **recruitment subsidy** offered by Intreo to employers who recruit people who are long-term unemployed. There are two levels of subsidy – EUR 7,500 for people between 1-2 years unemployed, and EUR 10,000 for people unemployed over 2 years. This subsidy is paid in monthly instalments over a 2-year period provided the employment is maintained. An evaluation of JobsPlus by DEASP showed that this measure was

effective, however, highlighted an underrepresentation of long-term unemployed people aged over 50. This was subsequently addressed through a change in regulation increasing incentives for long-term unemployed people in that age group.

In the words of one national-level interviewee, JobsPlus is an example of motivating employers to "really look at people who are long-term unemployed and look past the stigma of being long-term unemployed as being not ready for work [...] to incentivise employers to look at the labour market with new eyes."

## 2.2 Example of measure

The following measure is highlighted here given its thematic link to the measures proposed in the Recommendation. Whilst it is not possible to make a definitive connection between the Recommendation and the introduction of JobsPlus, it is highlighted here given its key alignment with one of the four main measures outlined in the Recommendation, mainly to forge closer cooperation with employers and businesses. As such it is presented here as an interesting example of *relevance* to the Recommendation but cannot be attributed to the Recommendation itself:

As outlined in section 2.1.4 above JobsPlus was highlighted as an example of a measure that helped to support the creation of links between employers and the long-term unemployed and **helping to break down barriers in terms of possible stigma** held towards people who have been out of work for a long time. According to a 2017 Focused Policy Assessment of JobsPlus by DEASP since its inception more than 12,000 people who were long-term unemployed have gained employment through the scheme and over 8,000 employers have benefitted from JobsPlus grants. The programme is assessed as having been effective in getting people who were long-term unemployed off the live register with 87% of participating employees remaining off the register between 30 and 36 months after beginning the scheme. For employees who complete 24 months on the scheme, this reportedly goes up to 94.8% (based on a sample of 1,727 participants). These findings relate to the commencement of the scheme in July 2013 until the end of 2016.

## 2.3 Use of the ESF to implement Recommendation

In Ireland the ESF part-funds the 2014-2020 Programme for Employability, Inclusion and Learning (PEIL), which was officially launched in April 2015. PEIL receives over EUR 544 million from the ESF and the Irish Government and a special allocation of a little over EUR 68 million from the Youth Employment Initiative (YEI).<sup>16</sup>

A relevant part ESF-funded initiative to highlight is Momentum which provided education and training to assist long-term unemployed people. However, it was launched prior to the baseline period and applications closed for the programme in 2016. As such it cannot be accurately linked to the implementation of the Recommendation. More broadly, according to research conducted for Ireland, the long-term unemployed are included within the *scope* of projects currently funded by the ESF but it is not clear (based on publicly available documents) whether or how far this funding has been used to implement specific aspects of the Recommendation.

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<sup>&</sup>lt;sup>15</sup> https://igees.gov.ie/wp-content/uploads/2018/07/Focused-Policy-Assessment-on-Jobs-Plus.pdf

https://www.esf.ie/en/Programmes/ESF-Programme-for-Employability-Inclusion-and-Learning-PEIL-2014-2020/PEIL-2014-2020.html

## 2.4 Monitoring of implementation

At the time of the interviews, a counterfactual evaluation of JobPath conducted by DEASP was underway. One national-level interviewee remarked that measures to address Long-term unemployment in Ireland were going through a "constant evaluation cycle" conducted by the DEASP. This included counterfactual studies and the monitoring of uptake and results of individual schemes (such as the Back to Work Enterprise Allowance; JobsPlus). In addition a review of the Back to Work Enterprise Allowance undertaken in 2016 found that the scheme offers effective support for those who are long-term unemployed and who are considering selfemployment as a way to enter or re-enter the labour market. 17 A counterfactual review conducted as part of the study found that numbers returning to welfare after having been involved with the scheme are low, with Back to Work Enterprise Allowance (BTWEA) recipients over twice as likely to remain off the live register six months after participating in the scheme compared to a control group of similar jobseekers who were not involved. This trend also reportedly continues 18 months after BTWEA payments have stopped. Although there were a number of positive results and a recommendation that the scheme be continued, points for improvement included providing greater clarity of the roles, relationships and responsibilities of stakeholders involved (e.g. case officers and Enterprise Officers within companies), and conducting more follow-up engagement activities with participants.

#### 3. CONCLUSIONS

#### 3.1 Relevance

Despite marked decreases in the number of long-term unemployed people in the past two years, the **Recommendation remains relevant** – particularly for areas where scoring is somewhat lower or where there is room for improvement e.g. coverage of registration - given that it led to a more nuanced understanding of the target group and the identification of specific social groups among long-term unemployed people who could benefit from more tailored actions and additional support.

## 3.2 Effectiveness

Overall, in Ireland the Recommendation supported the move away from an understanding of employment services as "passive income support" to being centred on activation. This meant continued efforts in the development of an externally contracted, high-engagement model of JobPath, specifically targeted at people who are long-term unemployed, offering enhanced services and personalised support. Customer satisfaction surveys show that this model is very well-received by the target group and performing above expectations. It also signalled a continued strengthening of employer support through the Employer Relations Unit.

In line with the anticipated effectiveness of the Recommendation, outlined in the Proposal for a Council Recommendation on the integration of the long-term unemployed into the labour market, measures that continue to be prioritised include:

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<sup>&</sup>lt;sup>17</sup> Department of Social Protection (2017) A Review of the Back to Work Enterprise Allowance. Available via: https://www.welfare.ie/en/downloads/Review of BTWEA Feb17.pdf

- JobPath, an externally contracted high-intensity activation model which provides additional services to people who are long-term unemployed and a reduced caseworker to jobseeker ratio (1:80).
- Increased caseworker discretion with regards to payment entitlements and services provided to jobseekers.
- Better enforcement of benefit conditionality, namely sanctions on people who are longterm unemployed for non-engagement with JobPath in the form of reduced entitlement payments.
- Closer collaboration and data-sharing between government departments, agencies and social partners.
- The establishment of an Employer Relations Unit to facilitate labour market integration of people who are long-term unemployed in line with employer demands and incentives for employers who recruit people who are long-term unemployed from the live register.

## 3.3 Efficiency

No financial burdens were reported by representatives from the DEASP with regards to the implementation of the Recommendation at national or regional levels. DEASP stakeholders were of this opinion given that the JobPath model (implemented before the Recommendation) is outsourced and based on a payment-by-results model and as such is not perceived as incurring any losses compared to if the DEASP had chosen to manage it internally. Whereas the model will naturally have a running cost, DEASP stakeholders viewed the existing system as cost effective as managing it *internally* would have required a high number of additional civil servants (and salaries). Stakeholders from the DEASP were also of the opinion that various other employment schemes were cost-effective – with responses similarly given in relation to the fact that they were not costing any more than *before* the Recommendation and continue to be funded through the ESF.

## 3.4 Coherence

The **Recommendation is coherent in Ireland with national policies overall**, as it signalled a continuation of efforts to activate the long-term unemployed through the high-intensity model of engagement called JobPath at national policy level. Looking more broadly, according to representatives from the DEASP the **Recommendation is also in line with EU measures** that support jobseekers, such as EURAS. Other EU funds, such as the ESF, continue to alleviate any potential financial burden placed on the MS with regards to implementing the Recommendation.

#### 3.5 EU added value

Stakeholders interviewed from the DEASP identified EU added value in the establishment of a "common goal" of integrating people who are long-term unemployed in the labour market, benchmarking and a structured focus on this particular issue. More specifically, the Recommendation was linked to the adoption of a more coordinated, holistic approach to long-term unemployment through greater interagency and interdepartmental cooperation.

Stakeholders also considered mutual learning at EU level to address this issue as strongly beneficial. In the absence of the Recommendation, efforts to integrate people who are long-term unemployed would have still been pursued, but probably through a much less coordinated

approach and without the impetus that the Recommendation provided of placing people who are long-term unemployed high on the policy agenda.

Overall, the Recommendation was perceived as a signal that Ireland had been on the right track in addressing long-term unemployment after having shifted from an understanding of employment services as "passive income support providers" to a prioritisation of activation. This meant continued efforts in a number of measures in place prior to the Recommendation (such as job integration agreements and single points of contact), and improvements in other areas (such as cooperation with employers).

# 4. LIST OF INTERVIEWEES

Level	Role/Position	Type of stakeholder		
	Senior Staff: JobPath	Department of Employment		
	Management	Affairs and Social Protection		
		(DEASP)		
	Senior Staff: Employer	Department of Employment		
	Support Services	Affairs and Social Protection		
	Senior Staff: Case	Department of Employment		
National	Management Unit	Affairs and Social Protection		
	Senior Staff: Working Age	Department of Employment		
	Policy	Affairs and Social Protection		
	Senior Staff: Employment	Department of Employment		
	Programmes	Affairs and Social Protection		
	Senior Staff: Employment	Department of Employment		
	Programmes	Affairs and Social Protection		
Regional	HEO case officers	INTREO		