# HOUSE OF COMMONS ORAL EVIDENCE TAKEN BEFORE THE

# WORK AND PENSIONS COMMITTEE

# THE ROLE OF JOBCENTRE PLUS IN THE REFORMED WELFARE SYSTEM

WEDNESDAY 11 SEPTEMBER 2013
HELEN FLANAGAN AND CHARLES LAW
COLIN BOOTH, KIRSTY MCHUGH AND STEWART SEGAL

Evidence heard in Public Questions 161 281 USE OF THE TRANSCRIPT

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# Oral Evidence

Taken before the Work and Pensions Committee on Wednesday 11 September 2013

Members present:

Dame Anne Begg (Chair)
Debbie Abrahams
Jane Ellison
Graham Evans
Sheila Gilmore
Glenda Jackson
Nigel Mills
Teresa Pearce

#### **EXAMINATION OF WITNESSES**

Witnesses: **Helen Flanagan**, Wigan JCP, Public and Commercial Services Union, and **Charles Law**, Industrial Officer, Public and Commercial Services Union, gave evidence.

**Q161** Chair: Welcome to this oral evidence session into the role of Jobcentre Plus in the reformed welfare state. This is the third session in this inquiry. Can I thank you very much for coming along this morning? First of all, could I ask you to introduce yourselves for the record?

Charles Law: I am Charles Law, Industrial Officer with PCS.

**Helen Flanagan**: Helen Flanagan, PCS National Executive Committee Member and Vice President of the DWP Group in the union.

**Q162** Chair: As I say, thanks very much for coming along this morning. We have about an hour or so before we have the second panel. A number of our witnesses have argued that JCP's current process for assessing claimants' needs and barriers to work at the beginning of claims are insufficiently systematic and prone to missing key barriers, such as homelessness and health issues. Do you agree that there is scope for JCP to improve this initial assessment?

**Charles Law**: I am sure there is scope for them to improve it; the question is how. The issue at the moment is that when people make a claim for JSA the form they fill in is just about their benefit entitlement and does not dig any deeper than that. So when they come into the office, the adviser can only see what their benefit entitlement situation is and does not have any information about other issues that may be there. You could change the form, and the nature of the interview would need to be changed.

**Helen Flanagan**: In terms of the interview itself, at present there is a 40minute interview. When somebody claims Jobseeker's Allowance they are assigned with an adviser. The DWP have attempted to split that interview into conditionality and a diagnostic interview. In the conditionality interview, they have attempted to have that done by a lower grade of staff, not an administrative officer, for the purpose of just ticking the boxes. At some point they would have a diagnostic interview for 20 minutes as well. Forty minutes is not a great deal of time for a lot of the process they have to go through, explaining what is required of them whilst they are on benefit. To get that kind of assessment of people I would say they probably need longer. They need that time in order to do it, but that is an impact on resources, so if they have a longer interview time, they will obviously need more staff in order to fulfil that.

**Q163** Chair: We have questions about the time and the increased workload of advisers coming up, because obviously there have been changes. In our report that we did on the Work Programme, we recommended that the Government look at something like the Australian Job Seeker Classification Instrument, where they do a lot more diagnostic work with the claimant. Even within the JSA, there might be people who have major barriers to work: they may still have disabilities, health problems, homelessness and all of those kinds of things. Would you welcome the use of such a tool in JCP if DWP ever took up our advice?

**Charles Law**: It is hard to argue against some kind of segmentation of customers. It is common sense that for people who do not need a lot of work on them obviously there is no point investing time in that. The trouble with tools is that it is difficult to get one that is right and comes out with the right outcomes, and it can lead then to people being incorrectly categorised or something like that. What has worked best in the past are things like the New Deal for Lone Parents and the New Deal for Disabled People, for example, where advisers develop the specialism and the knowledge and the expertise in particular client groups, and were able to focus on that. That has proved to work, and I think most people would agree that things like the New Deal for Lone Parent was very successful in bringing a group that has traditionally been a long way from the labour market much closer and many of them into work.

**Q164** Chair: Are you saying that that is lost because of the introduction of the Work Programme, because obviously the New Deals no longer exist?

**Charles Law**: As you say, the New Deals no longer exist. The Work Programme is run on a very different basis, in that it only kicks in for a year, in most cases, after signing on, whereas the New Deal for Lone Parents was offered to people who were then on income support and may not have been working for many, many years. So it was a very different situation, but it has been lost; there is no question about that.

**Helen Flanagan**: Segmentation of some kind has always happened under different guises. Charles mentioned about the New Deal; we also have what they call "red, amber, green", so they assess claimants initially to work out how "job ready"-that is the term that they use-they are. They do have tools that they use in interviews. One is called the customer assessment tool, but it has been more processbased and filling in a form rather than any kind of genuine assessment. But despite New Deal going, I would say advisers do tend to try to form an assessment and work out who needs more support than others.

Q165 Chair: Obviously you think there is a need for segmentation and the concentration of the

advisers' time on those who are furthest from the labour market, but would you go as far as the Policy Exchange and the Centre for Social Justice who both argue that most workready job seekers could initially be allocated to a zerocontact group in which they would not be required to attend the job centre? Would you go as far as that? Do you think that that would be an effective way of managing and releasing time for those who are hardest to help?

**Charles Law**: There is a risk attached to that, in that if there is no contact the potential for fraudulent claims is increased and people are entitled, if they become unemployed, to expect some support from Jobcentre Plus. To be told, "No, you can do it all on your own", when they have paid into the tax system for that public service, would seem, unless they were happy with that, perhaps a bit unfair on them.

**Helen Flanagan**: It goes back to the first point about that initial assessment and that diagnostic interview. It is how you identify that someone does not need that support, and if that is not done properly or people are not given time to do that, there is a danger that someone might appear to be okay-say they have come out of longterm employment in a certain profession-but they may need support as well. As Charles said, people, I think rightly, expect support, so they could just be binned, if you like, into a certain category, but then it is about how long they would be in that zero contact for. Would it be a 13week period? Would it be hitting the cohorts that Jobcentre Plus want them to hit? It is dangerous, because the longer you leave somebody unemployed, the harder it is to get them into a job.

Debbie Abrahams: Just a point of clarification, if I may. Are you saying that the most important thing is specialist advisers and being able to get the correct diagnosis and then the correct referral? Are you, in principle, supportive of a more holistic assessment of the whole needs of the person, not just their labour-market needs? I just wanted to clarify that. You are both acknowledging that. That is fine, thank you.

**Q166** Graham Evans: Some witnesses have called for JCP advisers to have a more holistic approach. Is there scope within the existing resources to extend this more holistic approach within the system?

**Charles Law**: Within existing resources it would be very difficult. People are extremely busy at the moment just doing what you could call the fairly runofthemill interviews that are standard Jobcentre Plus interviews at the moment. If that was to be expanded into a more holistic approach, dealing with other issues that we have not traditionally dealt with in the job centres, I cannot see how that could be done without extra resources.

**Q167** Graham Evans: Is it not a case of being aware of not necessarily the internal within the Jobcentre Plus itself but the external-being aware of the holistic services there are in the extended community that they refer them to rather than do them inhouse?

**Charles Law:** That can happen, but you still have to diagnose what it is that they need and where to signpost them to and so forth, and that in itself would require an additional resource.

Q168 Graham Evans: To what extent would it require an additional resource?

**Charles Law**: At the moment, you have the 40minute new claim interview, which, as Helen explained, is focused on issues that have traditionally been what the job centre does. If that interview is to be expanded into covering more issues-homelessness, whether they have an addiction problem, whatever it may be-if you still do that within 40 minutes then something else has to give.

Q169 Graham Evans: Can you give us an example of what has to give?

**Charles Law**: The conditionality work that is done, the jobseeker's agreement, whatever else there is in the agreement.

**Q170** Chair: In a conditionality interview, give me an example of what sort of things would be said. Is it laid out as, "Right, if you do not do X, Y and Z, this is what will happen"? Is it that kind of interview?

**Helen Flanagan**: At present, it is the jobseeker's agreement, and what has been introduced through Universal Credit, and soon to roll out nationally, is a claimant commitment, so you are explaining to people what is required of them. It would be things about availability, being available for 40 hours a week, actively seeking employment, setting out the steps that they have to take on a weekly basis in order to get benefit.

**Q171** Chair: So a large chunk of this initial interview is not the holistic thing that Graham is talking about to see where the barriers are. A large chunk is telling them, "This is what you must do".

Helen Flanagan: Yes.

**Q172** Chair: You are not getting information out of the claimant; the claimant is there listening to all the things that they must do in order to get the benefit. Do you think the balance is wrong?

**Helen Flanagan**: The direction that Jobcentre Plus is going down is very much conditionality-focused, and with the introduction of Universal Credit the message to our members is that conditionality is key. We will probably talk about it later in terms of that big push on conditionality and referring people who are not meeting conditionality to decisionmakers on sanctions is a major thing in Jobcentre Plus. We would welcome a more holistic approach and having our advisers being able to do that. In terms of that happening in the community, time has shown that Jobcentre Plus can deliver a better and more thorough and holistic approach than anyone, whether it is community or Work Programme provider. We are better at doing that, so what our members need is the time and the ability to have that diagnostic and to have that time to focus on the claimants.

**Q173** Graham Evans: I am sure you have the ability, but in terms of time, if your members know what holistic services are available, both within the Jobcentre Plus and within the community, then surely within the interview they know the moment they sit down with a customer what is available. For me, very quickly they would ascertain what services are available there in the holistic approach.

Helen Flanagan: Can you explain what you mean by available in the community?

**Q174** Graham Evans: For example, if somebody comes in who is homeless, not worked for many years, a recovering drug addict-in my constituency we have services to help the homeless, recovering drug addicts, and substance misusers into work. Or it is a case of a chap who has been working all his life and has been made redundant; he needs reskilling. Within my constituency, we know that there are some prime providers that can help with those sorts of things. Surely your members would be aware of those, so that when they see their clients, your clients, our clients, they can point them in the right direction relatively quickly.

**Helen Flanagan**: What you are describing there is called signposting, saying "That is available there; go and have a look at that." That is not holistic. That is not building a relationship, assessing what they need and following it up. That is saying, "Go and look at that; go and get that help".

**Q175** Graham Evans: Forgive me, but the holistic approach is all things. Whoever is sat in front of you, you are looking at the holistic approach. Whatever help and support they need, Jobcentre Plus staff have the ability or the knowledge. You call it signposting and that is fine, but it is part of the holistic approach, is it not, surely?

**Charles Law**: The problem is that it is not always obvious what additional services or help somebody might need, and it may take a while to build up a relationship before that person is prepared to share with you the underlying problems that they have. People do not come in with "I am a drug user" on their Tshirt, so it is difficult to pick some of these signs up straight away. That is why regular contact, where you can build up a relationship-preferably one that is not soured by having to sanction people who have problems-is the best way of doing it. It can be obvious straightaway, but in most cases it would not be.

**Q176** Graham Evans: You mentioned in your evidence about the estate not being able to cope with a potentially large number of new customers. Can you just explain to the Committee what

you mean by the estate not being able to cope?

**Charles Law**: It is just that there is not enough room. It is simple. If you go into the job centres, they are busy and they are full. If there was a significant increase in the number of interviews being conducted, there are just not the places to conduct those interviews with reasonable confidentiality and privacy within the existing Jobcentre Plus estate.

**Q177** Graham Evans: Have you done an assessment of the Jobcentre Plus estate and looked at that on a casebycase basis?

**Charles Law**: We have not done a formal assessment like that, but we know from talking to our members working in the job centres that they are busy and that they are full. You do not really need to do a formal space assessment to know that it would be, in most cases, impossible to conduct a large number of additional interviews on top of the ones that are currently being done with reasonable accommodation and reasonable privacy.

**Q178** Graham Evans: Forgive me; if you have not done an assessment of the estate on what room is available, I can only go off my own experience of my Jobcentre Plus in my constituency that I have visited. There are a significant number of unused rooms. If you are going to ask your members if they are busy, I fully understand they are very busy places, but unless you are aware, on a casebycase basis on the estate, of the number of rooms that are available, I can only go off my own example. There are a significant number of rooms that were used for various purposes on the ground floor that could be utilised to extend the place, and I would have thought that you would want to know about the estate, in terms of the space that could be utilised.

**Charles Law**: What I am reacting to is the two main proposals that are out there at the moment. The first one is to bring in weekly signing for half of the JSA register, which is a 50% increase in the number of people coming into a job centre each week; and then there are the 1 million or so people, when Universal Credit is rolled out, who are meant to come in to be interviewed because they need to find more work. Both of those are huge numbers of people. We are not talking about one or two additional interviews that maybe could be done when a room is not being used; we are talking about a massive increase in the number of people coming in. That is why I am saying that there is not a need to do a big formal assessment to know that there is a problem there.

**Q179** Jane Ellison: Graham has largely picked up my point. This is a parliamentary inquiry, and obviously you are putting into the record the fact that you think the estate cannot cope. I am just a bit surprised that you have not done that on the basis of a formal assessment.

Charles Law: Well, we have not.

Jane Ellison: Okay. We have noted that then.

**Helen Flanagan**: I think it is done on the basis that we know about the extra requirement of the current estate. It is not about that we are saying the current estate cannot cope, but at present DWP are closing job centres still.

**Q180** Nigel Mills: If we wanted longer, better upfront assessments and if we want more regular signing, presumably that is a lot of extra manpower and man hours. Are your members saying to you, "There are these tasks we have to perform that are completely pointless or a waste of time"? Are there things that they have to do that could be scrapped to make way for things that we think are more valuable?

**Charles Law**: Currently, they have to do what is prescribed in the regulations. Things like the conditionality measures and the jobseeker's agreement are things that are underpinned by regulation that is part and parcel, so they do not have any discretion really. They have some discretion about how they apply it, but not about whether they do it.

**Q181** Nigel Mills: What I meant was as part of their normal working week, presumably they are not doing interviews eight hours a day every day; they have other tasks as well. Are there any gripes where you have your members saying, "This form I have to fill in for every person is a complete waste of time", or this assessment or whatever. Is there anything that could come out of a working week to free up more time that would please your members in terms of not doing pointless

bureaucracy or anything that is just wasting time?

**Charles Law**: I suppose if you asked members what the thing was that they feel they have to do that they do not think is productive or helpful and they do not like doing, it would be the intensified conditionality regime. A lot of people are unhappy about that, but not just because they may agree or disagree with the Government policy. It is about how it can sour their relationship with the customer that they are trying to build a relationship and rapport with, which is very difficult to do if, for relatively minor breaches of the jobseeker's agreement, they are under pressure to refer them for a sanction and have their benefit reduced. That would be the main area where members tell us that they are unhappy with the work they have to do. Most of the other activities generally are seen to be useful and productive.

**Q182** Glenda Jackson: I wanted to go back to the point that you made, which is entirely understandable, when Graham was asking you about a holistic approach. I am paraphrasing, but essentially you said that people could be reluctant to say, "I am a drug addict" or, "I have alcohol problems." That presupposes, does it not, that that is the first time that person has been into that Jobcentre Plus, but there must be people with those problems who are regular attendees at Jobcentre Plus? So is it the fact that suddenly all job centres are having to deal with a vast increase of firsttime attendees, in a sense?

**Charles Law**: There is not a vast increase of new claims at the moment. The last time there was was in the 2009 period. Now, the number of new claims is relatively steady each week. It goes up and down a bit, but there is no big variation at the moment. So no, there is not a significant increase in new claims. Within any group of new claims, there will be some people with more problems than others.

**Q183** Glenda Jackson: Why is it that the employees in Jobcentre Plus do not recognise the problem? They must have been meeting these people over a considerable period of time.

**Charles Law**: What I was trying to say earlier was that the longer and the more frequently you meet people, the more likely you are to identify those kinds of issues, and then you are in a position to say, "What you really need to be doing is going to this group or that group". What I was saying was that it is hard to do that straightaway, but over time you do. The people who have been signing on for a long time who have these issues, the chances are those will have been recognised and identified, and they will have been referred to the appropriate third-party person who specialises in drug abuse or whatever it may be.

**Q184** Glenda Jackson: So it is not just a question of the time for the initial 40 minutes, but the length of time that the individual is going into that Jobcentre Plus over weeks, months, or years perhaps.

**Charles Law**: It is about building that relationship. That is really the key thing. You can build a relationship quickly. Other times it takes longer. The claimant has to be able to trust the adviser to do that and, unfortunately, the way things are going at the moment is that a lot of the publicity that Jobcentre Plus gets is around the intensified conditionality and sanction regime, which means people start off with a difficult or hostile attitude.

**Q185** Glenda Jackson: Has there not been a removal of the specialist advisers? You referred to New Deal for Lone Parents; they have gone, have they not?

**Charles Law**: I do not think that role exists any more. There are still some disability specialist advisers, although we would argue not enough; there isn't one in every job centre. There are still some specialist advisers, but it is not as systematic as it was when there were New Deals for the various client groups.

**Q186** Chair: If the problem is an overcrowding estate when they bring in inwork conditionality, could that not be done over the phone? You would not have to physically bring someone in to the office, especially if they are in work anyway and this is really just to discuss how they would get more work.

Charles Law: It could be done over the phone. My understanding is that the detailed measures

behind inwork conditionality have yet to be drawn up. Certainly in the Pathfinder they are effectively not doing it to any degree.

Q187 Chair: But it could be done online or over the phone.

**Charles Law**: I think the intention at the very least is for everybody who claims Universal Credit, including those who are in the working-enough group, to attend at least once to have their ID verified face-to-face. Then, as I said, we do not know how they would deal with the people in the couldworkmore group. Interviewing over the phone is possible.

**Q188** Chair: You think there is still going to be a need for at least one facetoface.

**Charles Law:** The powers that be will insist on it, yes. I think there is a security issue there.

**Q189** Sheila Gilmore: You have touched on some of this, particularly in relation to the suggestion that was made in the Spending Review, although I do not know if flesh has been put on the bones yet or a timetable, for claimants to sign on once a week. Before looking at that, we talked about the 40minute interviews. In your experience, how long are subsequent sessions when people do come in to sign on?

**Helen Flanagan**: "Flexible interventions" is what they are called presently. After they have the initial 40minute interview, you then have the fortnightly interventions, but the flexible interventions are normally for about 20 minutes; that is the standard.

Q190 Sheila Gilmore: Is everybody getting 20 minutes?

**Helen Flanagan**: No. They are doing some by telephone at present as well, and that can be for 10 minutes by telephone.

**Q191** Sheila Gilmore: I have had constituents saying that when they are in to sign on, it is more like four or five minutes.

**Helen Flanagan**: Yes. Your fortnightly interventions-so when you are there to sign-that is timed; the funding allocation is between four and seven minutes. They are doing pilots at the moment on reduced signing and speed signing. Four and seven minutes does not sound a lot of time, but they are looking to reduce that. When you come in on a fortnightly basis, for you to sit down and just to say "Hello", you are basically saying, "What have you done to look for work? Sign here".

**Q192** Sheila Gilmore: You may not know because you are not involved in the policy development, but it sounds like there are almost two different things going on here. One is potentially reducing the amount of time, presumably to free staff for other things, and another suggesting that everyone should come in once a week.

**Charles Law**: That is exactly right, yes. It does seem odd that that is the situation, but there we are.

**Q193** Sheila Gilmore: In terms of the question you were asked earlier about the estate and so on, and obviously it is going to vary, but in terms of upping the number of contacts, if you like, in your view, is it primarily a human-resource issue-staff-or a physical-space issue?

**Charles Law**: The main problem would be the staffing resources. Assuming that things are done in roughly the same way that they are done now, there is not the capacity within Jobcentre Plus to deal with those additional volumes that would be involved with the weekly signing or the inwork commitment, whether it was done over the phone or facetoface. We know that in the next two years the budget for the job centres is being reduced by 10% each year, and that will only be achieved by substantial staffing reductions. So the staffing resources are going in one direction, and it appears that the work coming in to job centres is going in another direction. It seems to me that that is a recipe for disaster for a start, but also it means that there is not the capacity now, and there certainly will not be after a year or two of staffing reductions along those lines.

**Q194** Sheila Gilmore: I have had two recent examples in different situations of people claiming that things they wanted to raise they did not have time to raise, or they were not advised that

there was. One was single-parent flexibilities: the degree to which the conditionality could be changed to meet that. Although the existing system is still there at the moment, though it is going to be slightly changed on Universal Credit, in practice people have not been told about it. Secondly, there is the issue of people who are not very well when they are signing on for JSA. I was told by the Minister last week that there was ample opportunity for people to have modified conditionality in those circumstances. How well are these things known to staff, and is there a need for more training?

**Helen Flanagan**: Staff will be aware that you can adjust. It will be on the jobseeker's agreement-the availability for lone parents, which is in legislation and having adjusted availability and actively seeking employment requirements. It is not just for those kinds of groups, but for others as well. They will be aware of it, but again it is about the pressure put on to hit certain conditionality requirements, so the pressure to refer people to a decisionmaker if they are not seen to be hitting all those boxes, and it is the people who fall into those groups. I would say less so the lone parents, because that is in legislation, but, for example, people who have health issues, who are more easy to target in that respect, who probably fall victim of that system because they are not going to be able to meet the standard conditionality. There probably is an awareness, but at the same time there is that pressure to hit the conditionality benchmarks or targets or expectations.

Q195 Sheila Gilmore: I have constituents who have been told that because of their health condition they could not claim JSA. One constituent recently, who had been found fit for work, had appealed and had not won her appeal on ESA, when she sought to claim JSA she was told that she was not deemed by Jobcentre Plus staff to be fit for work, and her claim was refused. Are you aware of that happening?

**Helen Flanagan**: My own experience from working in a job centre is that it is a very difficult situation. People do fall between that gap, essentially. I think it is very odd that people will fall foul of the Work Capability Assessment-we are not here to discuss that, which is a very bad system-and then when they come to get the Jobseeker's Allowance and the harsh conditionalities, that is there. I would say the lack of resource and support available to people with health problems and disabilities-we do have disability employment advisers but not a lot of them and it is an underresourced job; it is difficult for people-is a bad situation, yes.

**Q196** Sheila Gilmore: What sort of training or instructions are job centre staff given about people who are appearing to claim benefit but do not seem to be fit enough to meet the conditionality requirements?

**Helen Flanagan**: I would say that because the focus is on meeting that standard conditionality, as an adviser you do get training and that is covered by it, which shows what Jobcentre Plus would say. But when you become an adviser you do not get refresher training. There is not a lot of focus on what we can do for people with health problems or disabilities. The focus is on that standard conditionality and getting people to meet that.

**Q197** Sheila Gilmore: How much time is spent on training? Are there set times for training for staff, other than their initial training?

**Helen Flanagan**: From experience, there is not a set time for training. Training tends to be focused on the ongoing change in legislation and processes and benefits, which we are having to deal with at the moment. That tends to be the training focus, and that is a big demand on the time that we have. It is not a designed training programme.

**Q198** Glenda Jackson: I just wanted to go back to the 20minute interview. I presume that it is not always the same member of the Jobcentre Plus staff who meets up with that same claimant. I know from my own constituency, people say they go into Jobcentre Plus and they never see the same person twice. If that is the case, how much time of that 20 minutes is eaten up by the member of Jobcentre Plus staff having to familiarise themselves with that individual? They must do. How much time is taken away doing that?

**Helen Flanagan**: The intention at present is that advisers do have caseloads. It will vary from jobcentre to jobcentre depending on the size of the job centre and the area that they cover. Of

course, now, with the way Jobcentre Plus is managed, it is down to each district how they do that, so there is less of a central design. I can only speak from personal experience of the job centre that I work in, but they do try to have a caseload, so it should be the same person that they see. That flexible intervention-that 20minute interview-should be with the same person, but I fully recognise that with job pressures there is probably a good chance that they see somebody else. And yes, because you have to cover the conditionality in that 20minute interview as well, at least half of that will be on that.

Glenda Jackson: Familiarising yourself with the claimant.

### **Helen Flanagan:** Yes.

**Q199** Graham Evans: Just picking up with Charles, you talked about staff being concerned about the conditionality and building that relationship. Do you not think that the way the job centre is designed these days is a far better relationship in terms of the way that your staff conduct the meetings compared to just a few years ago, where you used to have barriers and glass screens? It was virtually like a bank where you had the client on one side and your staff on the other. Do you not think it is a significantly better working relationship?

**Charles Law**: When Jobcentre Plus was two separate organisations, the Benefits Agency and the Employment Service, the Employment Service was the bit that did the interviews around finding work and that kind of thing. That tended not to be screened, whereas the Benefits Agency, which was very much about entitlement to benefit and whether or not they could get money, was screened because of the nature of those interviews, which now are not really done in job centres to a large degree. They are done over the phone or by correspondence. There was a need for screens for those kinds of interviews. We were very concerned at the time of the merger, but over time we were able to come to an agreement, as a union and the employer, which led to the environment that you see now in job centres, which has not really changed that much over the last few years.

**Q200** Graham Evans: But the conditionality has always been there. There is nothing new about your staff being able to have sanctions. There is nothing new about that is there?

**Charles Law**: It has not always been there. It came in the 1990s, when JSA came in, and of course a lot of people who were on other benefits-lone parents, for example, who would have been on income support-did not have conditionality. Now many of them are on Jobseeker's Allowance, so there has been an increase in the group of claimants who are subject to conditionality.

**Helen Flanagan**: There has been an increased drive as well, and they call it "the regime"-that is their terminology-changed in October 2012, to longer sanction periods. So there has been a change in both the drive and the regime that exists.

Graham Evans: But in your evidence you say, "It is clear that staff in Jobcentre Plus have both office and individual targets for sanctioning claimants". Can you share with the Committee where you see that evidence, because I have been to my Jobcentre Plus and I see no evidence of that?

Chair: We are coming on to questions on conditionality and sanctions, and that is someone else's question.

#### **Graham Evans:** Okay.

**Q201** Jane Ellison: You are giving your evidence; it is a bit unremitting gloom at the moment, it is fair to say, but I am just interested to know if you can establish, just for the record, how you gather the background information on which you base your evidence. Do you have systematic contact points with members? Do you do a survey? What is it? I am trying to understand where on a scale between entirely dataled and anecdotal it sits.

**Charles Law**: We see the data that the employer provides about the numbers of claims and so on, so there is quite a lot of data there that is provided and in the public space anyway. We are a voluntary organisation full of members and we talk to our members, our members talk to us and that is the primary way that we get the views. Occasionally, we hold ballots of the members on

some issues. We hold meetings with the members; we have an annual conference. There is a whole variety of different ways whereby we get information.

**Q202** Jane Ellison: I understand that, but by the nature of some of the services you provide you might hear more from people who are unhappy with something. So I am just trying to understand whether you systematically gather a wide spread of opinion on a regular basis, or whether this is based on the evidence of the people who have come to you, who may have come to you because they were unhappy with something in the first place.

**Charles Law**: I will give you an example. Often, if you talk to people in job centres, they say they are concerned about the atmosphere and the risk of incidents. So we would get that, which is what you might call anecdotal evidence. At the same time, we will get monthly stats from the employer, who details the number of incidents, the number of actual assaults, the number of verbal assaults and so on that happen each month. So you can see the trends there. You can see the disturbing number of assaults that there are. I am sorry to be gloomy again, but it is a reality in job centres that there are 50 plus assaults every month. We get a combination of things, some through data and some through people saying things that confirm what the data says.

**Helen Flanagan**: Obviously, as a trade union, our views and what we are saying here today is defined by what our members tell us. You ask if we just get contact or just get their views when they are unhappy. We obviously have a democratic process in place where we hold regular meetings with our members, annual general meetings, mandating meetings. They come to those meetings and tell us what they think, good or bad.

**Q203** Chair: Before we move on to the conditionality and sanctions question, can I just clarify something that has come out of Sheila Gilmore's questions? Is it possible for a claimant to fall between two stools and therefore end up not getting any money that you would expect them to be entitled to? In other words, if they are too ill to claim JSA-they are not allowed to claim JSA because they have a fit note that says that they are still unable to work and therefore they cannot get JSA-but they are not ill enough to get through the assessment for ESA, and they are left in this limbo. I think that was part of the debate that Sheila Gilmore had last week, where the Minister seemed to assure us that there was enough discretion in the system that, yes, somebody in that category would be able to claim JSA but with a reduced conditionality on it.

**Helen Flanagan**: My experience, and of our members as well probably, is that it is entirely possible that somebody would fall into that position. The job I was doing until very recently was a customer service manager, which means I worked on the front desk when you walked into a job centre, and that was often a query that you would get. People would have failed the Work Capability Assessment and even gone through an appeal, but then were saying, "I am not fit to work" and tried to apply for Jobseeker's Allowance. But then they got to that interview and were told, "You are not available for work because you have got a fit note and because you are telling us that you are not well enough to work", so where do people go at that point?

**Q204** Chair: Do you think the job centre advisers are well enough trained to be able to spot somebody in that situation or know about the discretion that they might have to allow someone to sign on for JSA even though they cannot meet the work conditionality?

**Helen Flanagan**: It is as I said before: the focus is on that standard conditionality. "Looking for a fulltime job is a fulltime job in itself" is now the mantra, if you like. If that is the standard and if that is the focus, it is less about helping people who do need additional support and need that additional assessment. Lack of resource for our disability employment advisers, as well, is key in that. I think it is a problem.

**Charles Law**: If the Minister has given some kind of assurance that it is not possible to fall through that gap, and yet there are cases emerging where people appear to be doing just that, then it is clear that more needs to be done to ensure both that the claimants understand where they are and also that the advisers in the job centres understand that it is not possible, and that you cannot say to somebody in that situation, "You cannot claim JSA", and that there has to be reduced conditionality put in place. Clearly, that does need a very strong message, which I do not think is there at the moment, from the top of the organisation to the staff to say, "In this situation that is what you do".

Chair: I think it would allay a lot of fears, because I have certainly had emails about that very scenario. Anyway, finally, we will move on to the questions we have on conditionality and sanctions; I think they are mostly on the sanctions side.

**Q205** Debbie Abrahams: Just for the record, could you confirm whether you, as a union, support the principle of conditionality?

**Charles Law**: No, we do not. We are of the view that it does not work in terms of getting people into work. It is just penalising people who are already very poor by making them poorer. It has been, sadly, fed by very negative publicity that has been given to social security claimants that has built up over the last 10 or 15 years, whereby the term "the undeserving poor" is very prevalent, and sanctions is very much a part of, "Oh, we must penalise these people". So we do not support that regime.

**Q206** Nigel Mills: Not in any circumstance? I.e. if I refuse to do any job-seeking at all-just did nothing-you would still not think some kind of conditionality was appropriate for me.

**Charles Law**: The position is that we are a long way from that kind of a situation. We are in a situation where there is very rigorous conditionality imposed, and talking about some sort of hypothetical situation as opposed to where we are now is not particularly helpful.

**Q207** Jane Ellison: But you said you are against it in principle. It is an entirely reasonable question.

Charles Law: We are opposed to it in principle. That is the policy of the union.

Jane Ellison: So, in other words, in the situation that Nigel has described, you would also oppose it. I will take that as a yes.

**Q208** Debbie Abrahams: Let us move on to the issue around sanctions. I asked the official who came to the Committee a few months ago about whether there was a system of sanctions. I have certainly had experience of it, both from constituents and a whistleblower who came to me who is an adviser in the north of England. You have talked about the regime. What I am interested in finding out, and the Committee is interested in finding out, is how systematic this is. Again, reflecting what Jane has said, what is the evidence that supports that?

**Charles Law**: The situation is that the stricter benefit regime came in last year some time, and accompanying that was a general drive to, "Right, we have to implement this", and so on. An organisation like Jobcentre Plus is awash with statistics and data about performance, and regularly, each month, they will produce figures that show the number of referrals for a sanction by region, by district, by job centre and so on. It is then very easy to see who is doing the most and who is doing the least. The managers who see that their office is doing the least say, "I have to do something about this. If I do not do something about this, my performance will be marked down. If my performance is marked down, all my staff's performance will be marked down."

**Q209** Debbie Abrahams: Are you saying it is more of a cultural issue necessarily, rather than something that you have got a directive that you need to implement?

**Charles Law**: There is not a national target that every adviser must impose X number of sanctions each week. That does not exist, but what it has led to-I think you are probably right in saying the problem is as much cultural as a specific target-is that there is pressure brought to bear on people to refer people to sanctions and to do as many as everybody else is doing, and if you are not, there is as question mark over your performance. We know for a fact that there are people who have been put on strict benefit regime performance plans, which have led to, at their endofyear appraisal, them getting the lowest box mark and thereby missing out on the reward that accompanies the box mark. There is evidence of this.

**Q210** Debbie Abrahams: Can I ask you what the effects of that are, both on the claimant and also in terms of what happens once they are off benefits? Presumably, they are off the books and not recorded as receiving JSA, as it is now, so they will not be recorded in the official statistics of people who are jobseekers-people who are on sanctions, and they can be on for two or three months.

**Helen Flanagan**: If they receive a sanction, there will be a period of disallowance that follows that as well, so they do have to reclaim, so they do essentially go off benefit, yes.

**Q211** Debbie Abrahams: They are off the books. How big an issue is the distortion of unemployment statistics as a result of sanctions?

**Helen Flanagan**: It is a concern for our union that there is no differentiation between offflow for people finding work and what kind of work they find, and then people not claiming because they have been sanctioned. That is a concern, and we believe that the primary target-and probably the sole target-for Jobcentre Plus at the moment is offflow, and, because of that, conditionality is a big driver, because there are not that many jobs out there for people to find work in. Another way to hit that target is to get people off benefit through any means.

**Q212** Debbie Abrahams: Thank you. That is very helpful. My final question is about the botherability factor and about harassing, and I am using that phrase because that is the one that has been used to me by this JCP adviser who has whistleblown to me. What do you think, again, the effects of that will be?

**Charles Law:** The intention is to make life so awkward and difficult for people claiming JSA by continually playing around with when they have to attend for interviews and so on, that they say that it is just not worth it, and it drives them off the thing and can distort the unemployment figures.

**Helen Flanagan**: The term that is used is to "frustrate" people off benefit. So whether it is called "botherability" or whether it is another practice, that is what is done. I think that particular manager or whoever it was who said it made a mistake of using that word, "botherability", and putting it in writing, but that practice is endemic because of this drive to get people off benefits. It is offflow by any means.

**Q213** Teresa Pearce: Your sanction regime is that you are sanctioning people who are not looking for work, basically, and are not fulfilling their commitment. What do you do if somebody is turning up and signing on but you believe that they are working? So it is not someone who is not looking for work, but someone who is already working and does not need the benefit. Would that be a sanction or would you put the Fraud people in?

**Helen Flanagan**: That is a fraud and compliance issue. It is not only not looking for work that people get sanctioned for. It is whether they are available as well and whether they are complying with all the requirements, like attending mandatory interviews and following the directions that they are given as well.

**Q214** Teresa Pearce: The common image that is portrayed in the media often is people are either too feckless or lazy to look for work, or they are already working in the black economy. So the sanction is not so much what you would use if that was your suspicion, because it must be very frustrating for somebody who is an adviser, who sees somebody they think is clearly working and claiming when they should not be, so there must be something that you can do. Would that be just a sanction, or would you refer it to the Fraud department?

**Helen Flanagan**: That is a fraud and compliance issue. It is not a union position, but I think staff are very good at picking that kind of thing up and acting on it very quickly.

**Q215** Teresa Pearce: The anecdotal evidence is that since further conditionality that has been less of an issue anyway because of the botherability thing. For the amount you are going to get on Jobseeker's Allowance, if you have got a job in the black economy, people have just signed off because they have been expected to come in more often. Is that your experience?

**Helen Flanagan**: If you do suspect someone of working but there is no evidence, you can refer it to Fraud or you can enact more frequent attendance, which is bringing people in on a regular basis. That is what botherability is in a different sense, but this is on the basis that you think they might be working.

Q216 Teresa Pearce: Since you are able to do that, have you found fewer instances? Do you

believe that there are fewer instances of people doing that, working in the black economy and signing on?

**Helen Flanagan**: I would imagine it would be very difficult in the regime they have in Jobcentre Plus to do that now.

Teresa Pearce: So in one aspect it has worked but maybe not all.

**Charles Law**: The figure for the amount lost to fraud, given the scale of DWP's budget, is very, very small. It is grossly exaggerated in the public sphere, and I do not think there has been a significant up or down-shift in the cases going to Fraud in recent years. They have been roughly constant. Sometimes the resources available to Fraud to investigate them go up and down, and that can lead to variations in the numbers of cases that result in a prosecution or whatever. There are a number of factors behind the figures, but I do not think the sanctions regime is affecting the level of fraud.

**Q217** Teresa Pearce: You do not think sanctions would affect that, okay, so it is just affecting people who are looking for work but are maybe not looking hard enough or are not able to because of health.

**Charles Law**: Or childcare responsibilities, or a whole range of factors that mean they are not available for work 35 hours a week.

**Q218** Teresa Pearce: I was just trying to look for a way that sanctions work more positively, but clearly that is not necessarily-

Helen Flanagan: We do not believe it does work positively.

**Q219** Jane Ellison: Just going back to Debbie's line of questioning, I think you described essentially that you think there is a culture whereby people are expected to sanction or whatever. I think that was the essence of what you were saying, but your submission said it was clear that offices and individuals had targets. Obviously, a fairly major report found that not to be the case. Are you saying that that report was misinformed or that someone lied, or are you slightly rowing away from your submission and saying that it is just a cultural thing?

**Charles Law**: The management position was that there are not targets but there are expectations that there will be a certain level of sanctions. We can argue all night about what that means, but it is clear to us that there is significant pressure on people to meet the expectations on sanctions and, if they do not, they fall foul of the performance improvement measures in the Department.

**Q220** Jane Ellison: That is a slightly more subtle thing than you have put in your submission, though, is it not?

Helen Flanagan: Can I ask if you are referring to the report published by Neil Couling in May?

Jane Ellison: There was a report made into the very widespread and well publicised-

Chair: That was a Neil Couling one, yes.

Helen Flanagan: A Neil Couling report.

**Q221** Jane Ellison: In your submission you said it is clear there are targets, but what you are saying to the Committee is that there is a culture of expectation, which is a bit different from what you have put in your submission.

Helen Flanagan: It does not matter what you call it; they are targets.

Jane Ellison: It does matter quite a lot what you call it.

**Helen Flanagan**: In reality, to people who work in job centres, it is the same thing. That expectation is a target and sometimes it is numerical; sometimes it is just the pressure. We do

think that Neil Couling report was very flawed. It was very limited in what it looked into. The Neil Couling report, if you read it, the evidence that he looked at was basically some of the examples that we provided to him. That was not a broad investigation into what we described as a target culture. Targets do exist. You say the words matter; the people who work in job centres are being told, "You must make more referrals. You are not making enough." We have to. The expectation is so many a week, or there is a percentage. Now, that is not called a target. That is called an expectation, but the reality has the same effect.

**Q222** Nigel Mills: We have approached this subject on the question of how we should measure JCP performance. I think it is currently on offflow from benefits, but there is a consensus that what we really want is to get people into a sustained job and that is the measure we ought to have. Is that something that you would agree with, and, if so, how do you think we could get that measure to work effectively?

**Charles Law**: On balance, we probably would favour that more than the offflow approach. The offflow approach, as we have discussed earlier, has flaws in it. What is important would be to have a very good and clear definition of sustainable employment whereby you would need to consider issues like the living wage and so on being part of that definition. Particularly when Universal Credit comes in, the distinction between working and being on benefit will be blurred, and so it is important to have a much clearer goal of what the organisation should be about. It should be about not just getting people work but work that provides them with a living wage.

**Q223** Nigel Mills: You think the timing for that is probably when Universal Credit has been rolled out

**Charles Law**: It is hard to see how offflow can continue when Universal Credit comes in, unless it is offflow from Universal Credit, which is all about getting people into what we are talking about, which is sustainable, wellpaid or relatively wellpaid work.

**Q224** Nigel Mills: Can I just ask a different question, Chair? This is clearly a question, not my view, but what do you think the role of Jobcentre Plus should be going forward? Do you think we would be better off just saying that external providers and the Work Programme do all the backtowork support and we will leave the job centre as a benefit processing and sanctioning area, or do you think the opposite of that is true, that Jobcentre Plus can do a far better job of getting people back to work than all these people?

**Charles Law**: We think the opposite, as you probably would expect, but not just because we consider that is in the interests of our members. There have been clear examples of when the jobbroking side of it, rather than the benefit-payment side of it, has been done inhouse by Jobcentre Plus. We quote in the report a reference to what happened in 2009 when the registers went through the roof. Jobcentre Plus was very quickly able to redirect resources from within in order to deal with that unexpected surge in the register, which would not have been possible if we had been dealing with 25 different contractors and, going further back, to the successes of the New Deal in getting unemployment down as well. There is clear evidence that supports our position on that as well.

**Q225** Nigel Mills: If you could change something that would mean you could get people back into work more quickly or something, what would it be, probably other than more money or more advisers. Is there anything you would like to see change?

**Charles Law**: Where do you start? We have a long list of changes we would want to see. Clearly, in terms of the people working in job centres, it is having the ability to use their discretion and to do that in an atmosphere where they will not be hauled up and questioned for not having done something else. That is the most effective way of doing it, which is freeing up advisers to use their judgement. We have a lot of very, very experienced advisers in job centres, and they are a real asset that, if used properly, can be a real benefit, and I do not think they are being used properly at the moment. That is what we would like to see.

Chair: Thank you very much for coming along. We have kept you a bit longer than we anticipated, but your evidence will be very useful when we come to write the report. Thank you very much.

#### **EXAMINATION OF WITNESSES**

Witnesses: Colin Booth, Association of Colleges and Principal of Barnsley College, Kirsty McHugh, Chief Executive, Employment Related Services Association, and Stewart Segal, Chief Executive, Association of Employment and Learning Providers, gave evidence.

**Q226** Chair: Thanks very much for coming along this morning. While you are getting yourselves settled, can I just perhaps ask you if you can introduce yourselves for the record?

**Colin Booth**: I am Colin Booth, Principal of Barnsley College. I am also representing the Association of Colleges today.

**Kirsty McHugh**: I am Kirsty McHugh, Chief Executive of the Employment Related Services Association, the trade body for the welfaretowork industry.

**Stewart Segal**: Stewart Segal, Chief Executive of the Association of Employment and Learning Providers.

Chair: I am sure you have heard the other panel; most of you were in for most of that. Our questions are slightly different to you, as you would expect, although there is some overlap.

**Q227** Nigel Mills: It is kind of the inverse of the last question I asked the previous witnesses, about whether or not Jobcentre Plus is better at getting people back into work, or external providers are. What is your assessment of that?

**Kirsty McHugh**: 90% of people who become unemployed get back into work of their own accord or with very lighttouch support from Jobcentre Plus. It is the 10% who are at risk of becoming longterm unemployed that really my industry focuses on, by and large. At the moment, we have a situation, as you have just been exploring, where Jobcentre Plus is measured by offflows and the welfaretowork industry is measured by outcomes. That is different from Work Programme, Work Choice, etc, but, by and large, it is about sustained jobs, so you are not comparing apples and pears, but you are also not necessarily talking about the same client groups as well.

For me, the Jobcentre Plus regime for quite a lot of people is going to be perfectly adequate. It really will, because they are motivated jobseekers and they have the skills and the networks, etc. They may need some support, but they will be able to get back into employment. For those who are going to become longterm unemployed, particularly younger people, they need more intensive support earlier, and what I do not like is the thought of them just sitting in the Jobcentre Plus regime as time ticks until there is a point when they are referred to specialist support. We need to get that specialist support into them far earlier.

**Colin Booth**: I am going to repeat some of the things that Kirsty has said. The DWP and Jobcentre Plus are focused on getting people off the unemployment register. That is entirely different from meeting the aspirations of young people and adults. It is entirely different from meeting the needs of the labour market, and it is not the same as providing the skills that help people get back into work.

If we are thinking about sustained employment, then the interventions that we make through DWP and Jobcentre Plus are not really aligned with sustained employment frequently. If I look at what we do as a college and what colleges do, where we provide training that is specifically aimed at getting people back into work, we get around 30% of adults into work; where we are running sectorbased work academies in partnership with employers, those percentages increase to 40% to 100% into work. So what I would say very clearly is that training that is focused on getting people back to work and into sustained jobs works, but that is not the same as the way that Jobcentre Plus and DWP work.

**Stewart Segal**: Your question relates to almost that first interview and that whole approach at the beginning, and there is no doubt there can be a conflict between getting the benefit information and building confidence with the individual about job-seeking. But I do agree with Kirsty that we have to be careful about focusing the resources and, for the vast majority of people, that initial interview is fine and they can also look at other sources of information about

the job market. Having said that, if you are asking a question about do I think that balance is about right, I would say more specialist advice and more external advice earlier in the process would be a general point I would make.

**Q228** Chair: When we were carrying out our last inquiry into the operation of the Work Programme, we heard on a number of occasions, and even when we were out and about, that there is sometimes a fraught relationship between Jobcentre Plus and the providers for the Work Programme. Is that something that you recognise and, if it is, what steps has the Department taken to ease that relationship?

**Kirsty McHugh**: It is very varied, Chair; it really is. In most areas it is sufficiently functional for the work to be able to get done. In some areas there are issues and in some areas it is extremely close. As ever with these things, it often ends up being about personalities, people knowing each other, having been stable in that area, in that geography for a while and having built up a relationship, and so there is a level of understanding there, and there are some very good examples out there. If we just take the Work Programme contracts to begin with, now that they are two years in means that those relationships have had that chance to stabilise, but it is not perfect in all areas by any means. For the welfaretowork industry, the outsource providers rely on Jobcentre Plus for a range of things, which I am sure we will explore over the course of this session, and they are delivered by Jobcentre Plus, I would say, with variable quality.

**Q229** Chair: Where it is not working particularly well, is there anything DWP can do to ease the relationship, or does it really just depend on local factors?

**Kirsty McHugh**: My perception-and my members may tell me otherwise-is, by and large, it is down to the local players to sort out relationships. There is no DWP intervention.

**Q230** Chair: What if the Work Programme providers were co-located with the Jobcentre Plus? Would that make things easier? Does that happen? Are there some that are working out of the Jobcentre Plus, provided there is room in the building, as we heard in the earlier session?

**Kirsty McHugh**: There are a few examples but not that many; I could not give you a number. I remember that with the first inquiry you did on the Work Programme, 18 months or two years ago or something, this is one of the points that came out of that. The timing of getting the Work Programme contracts up and running of course is so rapid they just took on contracts all over the place and so took on offices where they needed to. The push from JCP around co-location followed that, and if we had had more time, we could have had considered conversations, because it would have been a better relationship. But the timing meant it has not really happened to the extent it should have done.

Stewart Segal: Also, co-location does not have to be permanent offices constantly located.

Chair: A hot desk, you mean.

**Stewart Segal**: It can be a hot desk and, to the client, it is seen to be a co-location, and that is certainly working in some aspects where people are referred very quickly. So I do not think we should focus too heavily on co-location. It is about that very fast and smooth referral process.

**Colin Booth**: As a college, we have recently leased accommodation to co-locate with the Careers Service and Jobcentre Plus. That is based on an improving relationship with Jobcentre Plus offices over the last two years, and that works extremely well. As Kirsty said, it is a bit inconsistent between Jobcentre Plus offices, but generally the situation is improving. Co-location we would very much support. That is co-location based on partnership, but as I indicated at the beginning, that is the college leasing the accommodation and then inviting the Careers Service and Jobcentre Plus into that accommodation. We also have a relationship with Work Programme providers as well, which is not entirely positive.

Chair: It is not entirely positive.

Colin Booth: No.

Q231 Chair: Do you think that is local factors there, or is it a wider symptom of something that is

not so good?

**Colin Booth**: I think it is probably a wider symptom. It is not necessarily the providers. We have problems with adults who are on training courses that are leading directly to employment. They are then mandated into the Work Programme, which moves them further away from the job market. In some cases, we will see those adults again later when they are mandated to come on to different programmes to help them get a job, none of which makes any sense to me.

**Q232** Chair: We have heard examples. I think Sheila Gilmore had one of her own constituents in exactly that position.

**Colin Booth**: The public purse ends up paying twice, because they could have just completed the course they were on, to be honest.

**Q233** Chair: Do you have problems getting payments out of the Work Programme providers? We heard again in our Work Programme report that there were some Work Programme providers that were looking around to get the cheapest option to support, and sometimes, if they could get it for nothing, then they would as well.

**Colin Booth**: Or the Work Programme providers do not pay us, which is why the public purse ends up paying twice.

Chair: Right, okay.

**Colin Booth**: We also get referrals from the Work Programme, but when we get a referral from the Work Programme generally the Work Programme provider will not make any further input.

Q234 Chair: You get referrals but with no money attached to them.

**Colin Booth**: No, and my view would be that if Jobcentre Plus or somebody else had just made the referral directly, we would have done exactly the same thing and got exactly the same percentage of people into work and the public purse would have paid once, not twice.

Chair: That is very interesting. Thank you very much.

**Q235** Nigel Mills: The next question is basically about referral issues. We have touched on the relationship with Jobcentre Plus, but are you still seeing errors with the categories that people are referred into when they are passed on to the Work Programme?

**Kirsty McHugh**: Yes. The Work Programme and welfare to work generally relies on, first of all, accurate predictions of the referral flows, because then they can plan how many advisers they want and what resources they have in place, and that relies on national predictions and also the local predictions. That is the first thing that can sometimes go awry. The implications up and down the supply chain, including to very small charity providers can be quite severe.

In terms of category of referrals, we still have ongoing problems with people being referred to a less than appropriate programme, particularly between Work Programme and Work Choice, where we have people being referred to Work Choice who would be better off in Work Programme.

Chair: That is our next question, so hold that one.

**Kirsty McHugh**: The other thing is, as you say, the referral groups. To give you a couple of examples, in our evidence we have people being referred through PG3, which is for vulnerable adults, who were confused with the PG9s, who were the exoffenders. There are different payment terms in relation to those, and so obviously my members would prefer them to go into the payment group that has better payment terms, because they give more resources to work with that particular individual. Another example is the PG5s and the PG6s, which are both around Employment and Support Allowance customers, but again there are different amounts of money attached to those. Therefore, getting them into the right payment group is really important, and that is down to the individual adviser at Jobcentre Plus. That is down to them understanding how that individual goes through.

**Q236** Nigel Mills: That is human error rather than an IT problem, effectively.

**Kirsty McHugh**: There is an element of discretion. It is about human judgement rather than IT, in many cases. There are IT errors as well: referrals will come through and there will be one digit missing in the number that comes across-those sorts of things-but there also are category errors as well.

**Q237** Nigel Mills: Is there a challenge mechanism where the provider can go back to the job centre and say, "These 10 people this month are in the wrong category", or is that very hard to do?

Kirsty McHugh: It is hard to do.

Chair: We did recommend that in our last report.

**Stewart Segal**: It does vary. You do hear examples of the change being made, but it tends to be quite a long process even where there is a positive result. That can be a real difficulty because people are waiting to go onto the programmes.

**Q238** Nigel Mills: Do you still sense that there are some people whose 12 months have happened, they should be being referred to the Work Programme but somehow they are being delayed or not moved?

**Kirsty McHugh**: Yes. One of the big issues, of course, which the Policy Exchange report a little while ago had the best evidencegathering around, is about the phenomenon, which I am sure you have heard about, of cycling. People come off benefit for one or two days, maybe a month, and that breaks their continuous claim of Jobseeker's Allowance or ESA or whatever else it might be, and so the clock goes back to day one again. They may have been out of work over an 11year period or whatever it may be, but because there are the breaks they do not get the year of continuous unemployment to get to the Work Programme. One of the things we need to look at is the cumulative time unemployed, because if people are just doing very short jobs they will never get referred to the specialist support and that cannot be right.

**Q239** Glenda Jackson: We are moving on to Work Choice now, and you will know that half of the claimants referred to the Work Choice programme are on JSA. Is this more than just an indication that Work Choice is not supporting claimants with more severe disabilities, for whom it is harder to get into work?

**Kirsty McHugh**: If you look at previous programmes for people with disabilities, they also had quite a lot of people referred to them on JSA. The figures we are getting through from providers show that a very large proportion-about 30%-of people on JSA have a healthrelated condition or a disability. It is not that ESA equals health condition, and JSA equals not; it is far more complicated out there. That could be leading us to say that there are far more people on JSA who should be on ESA. That is one of the things that could be going on, and of course JSA is a cheaper benefit.

**Q240** Glenda Jackson: From the example you have given, these are new claimants, and for existing claimants surely by now they are on one of the alternative programmes. I am talking about the definition-ESA, or whatever it is.

**Kirsty McHugh**: Yes. There are a lot of people on JSA who would benefit from Work Choice; because they have a healthrelated condition they are not on ESA. I am not saying that it is wrong that the JSA people are being referred to Work Choice. However, there is certainly a good proportion of people who are being referred to the Work Programme whose health or disability needs are such that they would be better off on Work Choice. It is to do again with the individual Jobcentre Plus adviser, and particularly the dearth of disability employment advisers, which you have heard about, in Jobcentre Plus. They have to make that decision about which programme is right for that adviser. Once they are referred to that programme, it is quite difficult for a provider to exit them to get them over to another programme. It could be that they are accused of parking.

**Q241** Glenda Jackson: Why?

**Kirsty McHugh**: I know; it is mad. We are thinking about what comes post Work Programme and post Work Choice, and one of the things we need to get are those referrals across groups right, because there does not seem to be an easy way of doing it. You have to go back via Jobcentre Plus. It is very difficult to reverse out of the system; the IT systems, such as the PRaP system, do not like it, so there are all these barriers in how to do it.

**Q242** Glenda Jackson: Is there sufficient communication between the providers for them to be able to furnish the expert-that is probably too extreme-that an individual is on the wrong programme?

Kirsty McHugh: They have the information.

Q243 Glenda Jackson: They can do that, can they?

**Kirsty McHugh:** But they cannot hand over to another provider. It has to go back via Jobcentre Plus.

**Q244** Glenda Jackson: It does seem somewhat convoluted.

Kirsty McHugh: Yes, it is.

**Q245** Chair: The numbers on Work Choice are capped, are they not? Is it just there are not enough places available for everyone who would benefit from Work Choice?

**Kirsty McHugh**: I really do not think it is that. It is more to do with the expertise of people within Jobcentre Plus when referring to begin with.

**Q246** Chair: Is that therefore a lack of disability employment advisers? I was quite shocked to hear that not every job centre has one nowadays. There used to be a whole team of them in Aberdeen, and I think there might be one now.

**Kirsty McHugh**: More DEAs would certainly help, because they do have the expertise, but for us it is very much around getting that better assessment in place of the needs of the jobseeker when they first go through that door. If you can get that assessment right, then you are able to make a better decision about what pathway that individual goes down.

The other thing that then needs to happen is the sharing of information, which again is still poor. The providers of outsourced provision are still not getting the WCA results routinely, for instance. So there is an information flow thing that is still problematic between different parts of the system.

**Q247** Glenda Jackson: My next question was going to be: how would you assess the support provided by JCP to people with disabilities before they are referred to contracted providers? I would imagine, from what you have been saying, your opinion would be that it is rather low.

**Kirsty McHugh**: Lighttouch, but to be fair to JCP, I do not think that they have the provision inhouse to be able to do it.

**Q248** Glenda Jackson: That is what I was going to say. It is simply because their resources and expertise have been reduced, is it not?

Kirsty McHugh: Absolutely.

**Q249** Glenda Jackson: Any ideas for how that could be improved?

**Kirsty McHugh**: With disabilities and healthrelated conditions you need to get the experts in and there needs to be enough money in the pot to be able to help it. Access to Work, for instance, is a great scheme, and there is money there to be had, but it needs the expertise to be able to talk to the employer to be able, to put it bluntly, to send in a person with a disability.

Q250 Glenda Jackson: Is that fund not another nonmoveable feast within this whole structure? It

cannot be used other than for the defined purpose, can it?

Kirsty McHugh: No, indeed.

**Q251** Glenda Jackson: We have raised this before with the Department, have we not, about this money?

**Kirsty McHugh**: Yes, indeed, but it is around the expertise that exists in Jobcentre Plus for people with disabilities. They really need to be given to the specialist charities and others who deal with these groups.

**Q252** Glenda Jackson: You mentioned a lack of the Work Capability Assessment being forwarded. Whose responsibility is that? Is that Atos or Jobcentre Plus?

**Kirsty McHugh**: It should be Atos to Jobcentre Plus, and then Jobcentre Plus to the provider. Now, it was not happening at all, and then a decision was taken that it could happen, and now it is a case of implementing and making sure it does happen. But we still have situations where people are being handed over to the Work Programme provider or the Work Choice provider, and they are still not getting the results of the Work Capability Assessment. As you know, that can be quite a traumatic thing for people to go through, so then to have to explain again to somebody else what has happened and what the results were, and of course that individual may not even be very clear as to what has occurred-we do need to get that information flow right.

**Q253** Glenda Jackson: This is anecdotal, but I am still hearing of people, having gone through that process, being placed in the wrong programme.

Kirsty McHugh: Absolutely.

**Q254** Glenda Jackson: Is that the failure for the WCA to go to the right people at the right time or is it simply a failure of Atos to do things properly?

**Kirsty McHugh**: There is an issue still with the accuracy of the WCA, as you know, but there is also an issue with the sharing of the information about the WCA, so it is twofold.

**Q255** Chair: Would somebody in JCP or somebody in the work provider help a claimant apply for Access to Work, or is that left to them and the employer?

Kirsty McHugh: The providers will handhold them in terms of Access to Work.

Chair: They will handhold them, okay.

Kirstv McHuah: Absolutely.

Chair: Because that would act as a barrier as to why there is a much lower take-up of Access to Work when very often the money is there.

**Q256** Graham Evans: I have a fantastic example of a constituent in my constituency who is severely disabled and she got a very good job. She mentioned about the Government changes and how they helped her to get a personalised service, so it is not all doom and gloom. There are examples of how things can work.

Kirsty McHugh: Absolutely.

**Q257** Graham Evans: Perhaps we should invite her here as a witness to let us know how she was helped.

In your experience of Jobcentre Plus in monitoring the local job market, what is your experience in terms of grabbing hold of those emerging opportunities, those new businesses recruiting, coming into the areas and identifying the skills gap, and how they can marry perhaps the 10% hardtogetto to the new job opportunities that are coming in? Is Jobcentre Plus doing a good enough job? Are they applying enough resources to look for those opportunities?

**Colin Booth**: We get very useful information from Jobcentre Plus. It is focused on unskilled and low-skilled work, but it is very immediate; it is the immediate vacancies and people looking for work. In terms of that information, it is very good. That is not the same as an analysis of labour-market needs or the needs of the economy. That is just one slice of it. It is how we can work with Jobcentre Plus to intervene in very short courses that will get people over that barrier, and the skills they need to get a fairly low-skilled job. It does not work anywhere near so well in the broad context of sustainable work and the skills needs of the economy and local employers, because that is not the same thing.

**Q258** Graham Evans: Are you suggesting that that resource is not there or should be there to enable them to do that?

**Colin Booth**: The whole system is not aligned like that. The DWP and Jobcentre Plus are a barrier to people doing longer skills courses to get them into work. Because they are focused on getting people off the unemployment register, they are very focused on referring people to short interventions to get people into work, but they are actually often a barrier. This is not the Jobcentre Plus offices, although sometimes they are a bit inconsistent. This is the whole system. We run a system that means that we frequently get adults who are very motivated, who sign up for courses, and they are then prevented from doing those courses and then we see them again when they are referred and often mandated into training later. We run a system that creates barriers to people participating in longer skills courses and participating on their own terms and with their own motivation, only to refer them under conditionality back into the same system later sometimes.

**Kirsty McHugh**: On the original question, by and large, the welfaretowork providers have their own relationships with employers. They will have national engagement teams and local relationships, and that is how they tend to do business and always have done.

Just picking up Colin's point, Colin is quite right that there are different regimes, performance metrics, drivers and probably cultures between the skills and the employment worlds. One of the areas of activity these three organisations are trying to lead between us are trying to break those down and find ways of combining them. We know, for instance, that colleges are measured, by and large, by the number of qualifications that people complete, but we know that the world I represent is measured by people going into work. A Work Programme provider, for instance, tends to think that workfocused courses, particularly where there is an employer involved-they are very keen on the employer ownership of skills type stuff-lead to guaranteed interviews, etc, good ways of doing things and tend to be more effective interventions. Of course, people do need collegebased courses as well on some occasions, but if you only have them for two years and you have been sent somebody and their course is going to be for 18 months, there is a bit of a concern: are they going to be looking for work during that 18 months, or are they going to sit it out until the course finishes? Of course, what we do need to do is make sure that people are able to combine the work search with the college qualification. It should not be an either/or and sometimes it feels like it is.

**Stewart Segal**: Whenever you look at these sorts of issues, the contact and the closeness of jobseekers with the marketplace and, therefore, employers is key to the whole issue. Many of the partners of DWP and JCP are also working with those employers on a range of other activities, so if job centres can work with their local partners and link in to employers, that is when those schemes are very successful. There are some really good examples of those: sectorbased academies, for example.

**Colin Booth**: Can I give you a couple of real examples of how this works on the ground, or it works sometimes but does not work other times? We run a lot of very successful sectorbased work academies. Off the top of my head, the latest one with Gunstones was 65 participants, 60 of whom went into work. A sectorbased work academy tends to be shortterm training, work experience and a guaranteed interview with an identified employer. However, when we were approached recently to do a sectorbased work academy for the care industry, where the entry level into those jobs was a Level 2 in Care, we would be delighted to do that and I would anticipate somewhere between 50% and 100% of participants would get into work. We are unable to provide that because a Level 2 Care course is too long and a combination of the funding rules and Jobcentre Plus rules just prevents us from running it.

**Q259** Chair: With the claimant commitment coming in with Universal Credit, individuals who are signing on will have to spend 35 hours a week looking for work, which effectively rules out them doing any kind of training or any courses. Is the barrier you have already identified-of people not being able to do it because of one element of conditionality and then they are appearing at your door because of mandated conditionality later-likely to get worse with the claimant commitment? They are not going to be able to do any college course because their whole week is going to be taken up with job search.

**Colin Booth**: People do college courses, but they do it at their own risk and sometimes at the risk of the provider. When we run courses, we run the risk of students not being able to complete them sometimes, because of the interventions, and the individuals themselves are often extremely committed to those courses and are often very focused on getting work.

**Q260** Chair: Do you have examples of individuals being sanctioned because rather than doing what the job centre said they had to do, they have come to you and done the courses?

**Colin Booth**: Yes. I will give you a straightforward example, just because it wraps a number of things up: I recently dealt with a young woman who was doing a customer care course with us and, as part of that, was doing a work placement. That was on track to become a permanent job, into an apprenticeship placement Level 2 and then on to Level 3. Through Universal Jobmatch she was referred to an interview for temporary work in a call centre, and was quite distraught at having to interrupt what she was doing to go that interview, with the thought that she might get that temporary job, and that would mean that the much more permanent employment and career path she was on would not work. Understandably, she went to the interview and did her best to fail it. She managed to fail it without getting her benefits stopped, came back to us, did a few more weeks on work placement and then was in a permanent job with an apprenticeship, which is a much more sensible option.

**Q261** Chair: Is there no flexibility that the job centre advisers have so that, in her case, they could say, "Right, Sue", or whatever her name is, "what you are doing is absolutely sensible and absolutely fine. We are going to suspend the need for you to do the job search and things"? Does that not exist in Jobcentre Plus?

**Colin Booth**: There are some flexibilities. There are flexibilities in some cases and not others, and it is difficult to predict how the individual job centre advisers will-

**Q262** Chair: It depends on the individual adviser and their knowledge of what they have as discretion.

**Colin Booth**: Yes. If I refer back to one of your questions to the other panel, you said there might be a zerocontact group. When I was listening to the panel, there were a lot of issues around the amount of work that Jobcentre Plus advisers have. We have a real problem with adults who are very motivated to attend training courses that are very focused on work outcomes, but who then have to go to interviews and often to job centre appointments. It would be great for us if you simply said that if people are attending a workfocused training course that they did not have to attend job centre appointments, because we write to job centres all the time, giving them the individual timetables of people on workfocused courses, saying, "Can you please not make appointments in these times?" Some advisers are very helpful and do that, and others are not.

**Q263** Graham Evans: Do you speak to the Jobcentre Plus manager about that?

Colin Booth: Yes.

**Q264** Graham Evans: What is their response to that?

**Colin Booth**: I was talking to one of the regional managers, and he was very supportive. He was asking me which job centres and which advisers were being supportive and which were not. Over a period of time, hopefully, things like that will start to resolve themselves.

**Q265** Graham Evans: Is that a solution to the problem, Chair, because a lot of what we hear is that that is problem, but what is the solution? Is it better communication with the leadership

within Jobcentre Plus? I am sure people do not put timetables there deliberately to kibosh a course, but is it a case of better communication and learning from that?

**Colin Booth**: Yes, but in those exchanges with the regional manager, you then come up against the barrier of the central targets and the central quidance from DWP, which often are unhelpful.

**Q266** Jane Ellison: Were they specific about what particular aspect of guidance might make it difficult for them to do what sounds to the rest of us like just pure common sense?

**Colin Booth**: It reverts back to their core role, which is getting people off the unemployment register as quickly as possible. When I talk about a longer course, bear in mind that the rules at the moment say that if you want to do a fulltime course you are allowed to do one fulltime course a year that lasts two weeks. Longer courses can be two months, three months, a year or whatever. It comes down to when we want an amount of flexibility that allows people to do more sustained training to get them into higher skilled and more sustained jobs, we eventually run into the problem of the central targets and the central guidance.

**Q267** Sheila Gilmore: I was going to ask you about sectorbased academies, and I know you have touched on it. Would you be able very briefly to set out what you think the key factors are in that makes that successful?

**Colin Booth**: Yes. It is quite simple, really. We will talk to an employer and say, "What are your skills needs? What posts do you want to fill?" We will design a training programme that meets those needs, and the employer will commit to usually giving some work placements and a guaranteed interview for the participants at the end. It functions partly as a selection process for employers, because we will then recruit a cohort of adults who we think are suitable for those jobs. We will give them some training; they will get a bit of work placement and a guaranteed interview with the employer. It does not take a genius to work out why that is successful really.

Q268 Sheila Gilmore: How long do these normally last?

**Colin Booth**: We are only allowed to do very short interventions, so normally it is one week of training, possibly two weeks of training. They are very successful in what they do, but we would love to be able to do them with longer training periods and get people to higher skill levels. In Barnsley, one of the major drags on the economy is the skill level of adults. We need to get more of our adults trained up to Level 3, Level 4 and higher, but the system does not help us do that.

**Q269** Sheila Gilmore: In Edinburgh, some years ago, through the council, we had work academies, which sound very similar, but participants spent six weeks on them.

**Colin Booth**: As a college, we have an adult-skills budget, which is more flexible, but when we run courses through that, that is when we get into problems. Very often, individuals cannot attend them because of the Jobcentre Plus rules. We have some other contracts called "Skills Support for the Unemployed" and "Skills Support for Redundancy", which are with the Skills Funding Agency, and they are shortterm interventions to get people back into work. For example, over the last year, 3,162 adults went into work from those programmes. Those are the short intervention programmes, but we cannot fund longer interventions from those. If we use our adult-skills budget to put on longer courses, there are a number of problems with that, but we run a risk of putting on a course that students cannot complete and, as Kirsty said, we are very frequently measured by qualification outcomes, so that is a risk to us. It is a risk for the individuals taking part in that course because sometimes they will have job centres and Jobcentre Plus advisers who are very supportive and allow them to complete, and other times they will not.

**Stewart Segal**: They have taken quite a lot of the good things about the sector academies and built them into the traineeships, which is a new programme, but again we are finding problems delivering a tailored programme under a traineeship banner because of the restrictions on benefit rules, around how much longterm training we can give, and how many weeks the work experience can be run. Those rules will still apply under the new conditions of traineeships.

**Q270** Sheila Gilmore: In the previous panel, or maybe Kirsty mentioned it, the business of people being in and out of shortterm work was raised. Is that partly because they are low-skilled?

**Stewart Segal**: Yes, it will be partly low-skilled, partly the types of contracts that people are on, and there is no doubt there will be and is a churn in the entrylevel jobs. Having discretion around somebody trying to build a career, rather than get a job, is very important. I understand the balance between that discretion, but with some common sense, as somebody mentioned, and a bit better information-sharing, and perhaps the word "trust" between JCP and their partners in delivering those training programmes, we could improve that. There will always be cases where people might disagree.

**Q271** Graham Evans: That links nicely to the question I was going to ask of you all but particularly Kirsty, based on what you were just saying about how you spoke to the Jobcentre Plus regional manager and they said, "We need to concentrate on our targets; that is how we are measured." Is there an example in your wide experience of particularly wellrun and good job centre doing exactly what you are doing there, working closely, networking with providers within the community? You may be familiar with Mid Cheshire College, for example, in my patch, which works particularly well with Jobcentre Plus. A beacon Jobcentre Plus could be used. The management, the leadership, the team working within that could be used as a beacon, as a template, to say to the whole Department, "This is how it is done. Look at this." Do you have examples of outstanding performance of Jobcentre Plus that could be in some way used as a beacon for the Department to use?

**Kirsty McHugh**: Outstanding performance for us tends to be around collaboration. Probably London is a good example again, where you know the six Work Programme providers and their subcontractors meet centrally, they share vacancies and information about about employers, etc. Of course, Jobcentre Plus is part of that as well. That collaboration there, as far as I can see, is working extremely well. There are other examples around the country of very small job centres in smaller towns having very good relationships with the interim provider in that area. Often, it is because people have been working there for an extended period and they have known each other for a while, which is why it is so important that you do have the longerterm contract, so that building of relationships, understanding, and trust, as Stewart said, can take place.

**Q272** Graham Evans: Can you just give us some examples? Those good examples of the smaller Jobcentre Pluses are operating under exactly the same rules as those that perhaps are not performing so well.

**Kirsty McHugh**: Whatever I say here and now, somebody is going to come back to me and say, "We have just fallen out with them", so if I could provide those to you afterwards I would be far more comfortable, so I can doublecheck.

**Q273** Graham Evans: As a Committee, we have to make recommendations, and my glass is always halffull. A lot of the evidence we get is that it is a managerial issue. That is the problem; what is the solution? What can the leadership do about that within the rules set by the Department for Work and Pensions? For me, it is a leadership and management thing.

**Kirsty McHugh**: Let me go out to all 18 prime contractors and I will say, "Look, this is your chance to nominate the best Jobcentre Plus from your perspective", and I will pass it across to the Committee.

**Q274** Graham Evans: Then examine why a particular Jobcentre Plus is performing so well on all the measures. Why is it? Examine it and then you can duplicate it; this is best practice.

**Stewart Segal**: We push for flexibility, but within that, you are always going to get some variety of views and judgement. Increasing transparency and publicising what that flexibility is gives people more confidence. A lot of it is around the confidence issue and around what the art of the possible is, so it about publicising that more. I would agree 100%.

**Colin Booth**: You mentioned Mid Cheshire College having an excellent relationship with Jobcentre Plus. I would say we have an outstanding relationship with Jobcentre Plus, but I would be very clear that if you talk to the Principal of Mid Cheshire College about how their partnership and relationship with Jobcentre Plus could be improved, you will get a very similar answer to the one I am giving you now. It is not managerial. Where we have the best relationships with Jobcentre Plus, we eventually hit the barriers of what is essentially public policy. Coming back to what

Stewart said, what we have, for example, at the moment, through BIS, is traineeships being promoted as a way of engaging with people to get them the skills to get back into work. At the same time, the DWP rules prevent them from taking the course.

Graham Evans: I do speak to the Principal of Mid Cheshire College and I will pursue him on that point.

**Q275** Chair: What you are saying is that there are elements of public policy that are making your job really difficult, and even though the relationships are good, you could do a much better job if the constraints were not there.

**Colin Booth**: Yes, absolutely. We will put on traineeships, but I am extremely worried about doing it, in case some of the students on it are then prevented from completing them because they are sent to interviews or appointments.

**Q276** Jane Ellison: Just quickly, and directed mostly at you, Stewart, around the Flexible Support Fund, if you could just talk us through what some of the bureaucratic barriers are for it being used properly; I have certainly come across some myself in my own constituency. Where it is working well, what the factors are in making that work well? Overall, there is a reasonable amount of money attached to it; how can that be spent best in the areas of most need? If you could give us your thoughts across that, it would be very helpful.

**Stewart Segal**: It is a bit of a summary of all of the other discussion we have just had, because it is a particular fund that I guess goes back into a number of different funds to give more flexibility. We would support that. We would support having a fund that can address some of those very specific issues for, perhaps, individuals or a group of individuals where, with a bit of funding, we can just make sure that that happens, where everybody agrees that should happen and we can take it out of the normal rules, and it gives people a bit of confidence. It also allows, in some instances where we have seen it to really good effect, where there is something around an innovative approach, they can take it out of the normal rules and have a particular project with a particular partner. That has worked very well and there are some good examples of that.

I guess where it does not work well is where they are using the money either to cut across existing programmes, where there can be a bit of frustration around somebody working over a long period on a particular programme and then finding some of the referrals have gone to another route because they have created another programme. It also does not work where, frankly, they create almost another programme locally, where there is a bidding process, and where they restrict certain people to that bidding process. In my view, it should be added to enhance an experiment with the core programmes, not to establish new programmes and create confusion.

The other aspect of it is that as soon as people know there is a flexible fund, there is a lot of time and effort spent in trying to access that fund, and the funds are not huge in comparison to the other spend. We need to be careful about the amount of resource being put in to those flexible funds, because it is always quite attractive, is it not, to get hold of some flexible funds that do not have a lot of rules. Given that, I think it is something that can be used very positively, and there are lots of good stories around that being used to turn around a programme fairly quickly where there is a sensible approach.

**Q277** Jane Ellison: If I can give you an example from my own constituency without naming the organisation-just tell me if this is typical-I had a very enthusiastic small community group doing quite a lot of work getting people online, doing support for them, and doing job applications. They were getting referrals from the job centre, but it turned out, when I have unpicked what has become a bit of a mess, that the job centre assumed that, because they were providing this service, they were funded by someone, and the person running the service assumed, because she was getting referrals, that she would be funded for what she was doing. The net result is she is massively out of pocket and now, having applied, and I helped her to apply, for Flexible Support Fund, the local job centre helped her fill in the form and then the regional job centre told her that she was not providing skills that were not already provided locally and therefore did not qualify. I just find myself thinking, "How did that happen?"

Stewart Segal: Yes, I am sure we could all find situations where the flexible rules have not really

helped. There are good reasons why programmes become established and have a set of rules, so that both sides know where they stand. That is why I say we need to be careful about the flexible fund taking people outside of that, because you need to be really careful and support programmes, rather than create new programmes.

**Q278** Jane Ellison: Is that the slight fear, though, that people just see a pot of new money and chase it?

**Stewart Segal**: Yes, and there are no rules at the beginning but then-guess what?-the region picks it up, and there are overarching rules, so that no programmes should be addressing situations that can be addressed through a core programme, and they will get caught. There is a danger that flexibility is not really flexible. There is no easy answer, but the more transparency we can have-because these are flexible funds and local-around what the local office and region expects to do with those funds the better, and it should publicise what it has already done with those funds and each of the individual programmes.

**Q279** Jane Ellison: And almost give people a steer about what the areas are in which they are looking for new provision.

**Stewart Segal**: And what areas they want to fill. That would be really helpful. It takes away a lot of the unknown just bidding and writing that goes on, I am sure, that is under the radar. And then other people who are running programmes know what else is happening. I have situations where somebody finds out right down the line that they have created a programme that is almost the same as theirs, and they have made the investment and made the resources. Many of these organisations are quite small, and we are talking about low referral numbers, so a move of half a dozen people makes a course absolutely unrunnable.

**Q280** Jane Ellison: Presumably, that first contact, when someone says, "I am thinking of running this and I am applying for the Flexible Support Fund", is really the point at which someone says, "Well, hang on a second, because we have quite a lot of that going on around here".

**Stewart Segal**: Yes, and everybody should have a statement around what they are trying to do with the Flexible Support Fund, so at least they have something that they can make those judgements against.

Jane Ellison: Yes. That is very helpful.

**Kirsty McHugh**: It would also be very good to know what has been funded. I once asked for a list of what has been funded under the Flexible Support Fund, and JCP just said, "I don't have a clue"; this is nationally.

**Q281** Jane Ellison: So that list is not available at a local level.

**Kirsty McHugh**: I am sure it is all available locally, but it is not gathered nationally and it is not shared nationally. If there is stuff that has really worked, would it not be nice for it to be shared? That does not happen at the moment. [Interruption.]

Chair: I think the bell sounding indicates that we have come to the end of our session, so can I thank you very much? That was very helpful and very illuminating. You have given us a suggestion for a recommendation that should have been in our last report, but anyway, thank you very much for coming along today. We really appreciate it.