

## Consumer Focus Board

Paper 8.1

**Title:** Jobcentre Plus: is it working for consumers?  
**Purpose:** For information  
**Date of meeting:** 15 September 2009  
**Responsible officer:** Richard Bates  
**Prepared by:** Richard Bates / Henny Abuzaid  
**Attachments:** None

---

### 1 Overview

- 1.1 The Jobseekers Allowance claimant count has doubled in the UK in the year to June 2009 to over 1.5 million and is set to continue to rise substantially until at least 2010, even after the UK comes out of recession. New claimants face major barriers back to work and will continue to require services to help them meet the wide range of financial and social needs that arise from being unemployed as well as returning to work. Customers face continued reductions in the number of employment opportunities and will have to manage their unemployment for the foreseeable long-term. As the recession ends, the unemployed may face increasing marginalisation as attention turns towards economic growth and 'good news' stories.
- 1.2 Against this background Jobcentre Plus has recently finished a restructure which saw it reduce its capacity by a third (from 1200 to 800 offices) with an equivalent reduction in staff as it centralised and streamlined its benefits and employment services. A driver for this change was the relatively low unemployment experienced in the last ten years (peaking in 2004) which encouraged DWP to target services at longer-term unemployed and disabled people to drive up the working population of the UK.
- 1.3 The massive rise in unemployment since 2008 has resulted in the service re-employing up to 11,000 new staff to meet demand (including large numbers of secondments from other DWP agencies such as the Child Maintenance Agency which are leaving these services short-staffed). This is the biggest civil service recruitment in peacetime history with an associated challenge of training staff on the multiple benefits and support services that Jobcentre Plus provides directly and signposts to.
- 1.4 The lack of focus on meeting the high volumes of new customers and their diverse individual circumstances has raised some serious doubts about the ability of Jobcentre Plus to deliver to the newly unemployed at the volume it needs to, and in an appropriate and timely manner. This is demonstrated in the continuing reduction in time personal advisors are able to spend with customers.

- 1.5 In response to these circumstances Consumer Focus commissioned research to explore the appropriateness and quality of services offered by Jobcentre Plus and the role of customers in delivering a better service.
- 1.6 This project is one the priority work areas identified by the senior management team and this paper provides an update on our work.
- 1.7 Consumer Focus commissioned Ipsos MORI to conduct 40 in-depth interviews with a range of recently unemployed men and women<sup>1</sup>, across age ranges in the UK (Telford, Warrington and Swindon in England; Bridgend in Wales and East Kilbride in Scotland).
- 1.8 In close consultation with Justin Gutmann, Principal Researcher, and the contracted research company we developed a robust methodology that would enable Consumer Focus to explore the range of issues affecting newly jobless customers. The sample size was selected to provide both range across the UK and sufficient depth to capture the experiences of Jobcentre Plus users and the problems they have faced in dealing with the service. A qualitative research approach is the optimal methodology for achieving this. The findings will not quantify how prevalent an issue is nationally, but do provide detailed evidence on the effectiveness of Jobcentre Plus in meeting customer needs.
- 1.9 The final report is now in preparation. The research has found customers want a responsive, personalised service which they can understand and where they are aware of what is available to them and which is flexible, treats them with respect and provides value to their jobsearch and support needs. At present customers do not often feel they are receiving a responsive service from Jobcentre Plus which is able to meet their individual circumstances. People's experiences show they are just not receiving this and in some cases customers are struggling to find their way through unemployment without this.

## **2 Action for the Board**

- 2.1 To note the update on our research and analysis.

## **3 The key issues**

- 3.1 Customers have told us they want a comprehensive service from Jobcentre Plus which is responsive and flexible and able to meet their needs. This service is one which delivers benefits provision, directly delivered services and signposting to external service providers.
- 3.2 However we have found customers are not currently receiving the personalised service from Jobcentre Plus which it sets out to provide and the Government claims is in place to meet customers' needs.
- 3.3 Customers also lack information on what services are available to them. This is despite the service being the main interface with the state during unemployment. Many customers remain unaware of support services which are currently available to them,

---

<sup>1</sup> Selected respondents had been unemployed for between three and nine months.

either directly or signposted through Jobcentre Plus. These services should be supporting customers but are being denied to many through a system still rooted in paternalism which does not support customers in actively assessing their own needs.

- 3.4 Customers are missing out on appropriate services because of arbitrary thresholds in provision. Restricting services, such as debt advice, to customers unemployed for at least six months demonstrates a lack of understanding of individual circumstances, a lack of flexibility and a 'we know best' attitude to addressing individual needs.
- 3.5 Jobcentre Plus has largely failed to communicate to customers the range of 'recession proofing' services introduced during the last year. These include retraining and employment initiatives as well as schemes designed to mitigate personal hardship, in particular the Mortgage Interest Scheme announced in February 2009 which in its first few months of provision was successfully accessed by only one customer. Our research has highlighted individuals who could access the scheme but have not been assessed to date.
- 3.6 Personal Advisors are not spending enough quality time with customers to enable their needs to be assessed properly. Personal advisors have too many cases or lack the necessary skills and experience to take an interest in individual customers to provide a service built around customers' needs which is undermining Government claims of a personalised service. The focus of personal advisors remains processing and administering Jobseekers Allowance in the limited time available, which while important, is only one dimension of the services customers require. This includes identifying and assisting customers in their job search and evaluations as to where they go next, and being the hub through which people are linked to wider sources of assistance.
- 3.7 The lack of quality time with personal advisors means customers are finding they are not being respected as individuals by staff. Although many staff try to be polite they demonstrate a lack of interest in individual situations, leaving customers feeling marginalised and helpless.
- 3.8 As a result customers are not able to find value in the service. The inflexible, one-size-fits all approach to unemployment and wider services is creating disengagement from the service and forcing customers to increasingly rely on other forms of support through other service providers to meet their needs.
- 3.9 Regional variations: The research looked at five regions across the UK. In the three nations the results did not show significant variations, with the exception of Bridgend in Wales where, anecdotally, there appeared to be a stronger culture among customers of being more likely to know what was available to them and to be able to demand a better service from staff as a result. While there was some indication that this resulted in service improvements in certain areas (i.e. access to training courses), the overall responsiveness of Jobcentre Plus remained broadly in line with other locations.
- 3.10 Consumer Focus seeks to make the following recommendations in its report:

- 3.11 Jobcentre Plus must provide greater information to claimants at the start of their customer journey on the services they are eligible for and the wider assistance that is available, enabling a culture change among customers to know their rights and entitlements from the moment they access the service.
- 3.12 Jobcentre Plus must treat customers with dignity and respect, continuing to provide full training for new staff and giving them the time and skills to effectively assess and respond to customers individual circumstances and ensure customers want to stay engaged with the process, not just introducing punitive sanctions to make up for ineffective services.
- 3.13 Jobcentre Plus must consider removing thresholds and instead consider fast-tracking more customers into services which could more effectively meet their needs, eg providing debt advice immediately, of information on training and volunteering opportunities.
- 3.14 DWP must initiate a review of service-users in service design to make sure users have a greater say in how their needs are met now and in the future to make sure customers' needs are permanently at the centre of effective service design.
- 3.15 Consumer Focus seeks to continue the advocacy work already started, promoting the research to MP's, stakeholder groups, other advocacy bodies as well as service providers such as DWP, Jobcentre Plus and commissioned partners to bring about these recommendations.

#### **4 Next steps**

- 4.1 To date expenditure has focused on the research element of the project for which we are on budget. The next round of expenditure will focus on advocacy work, particularly meetings with stakeholders.
- 4.2 There is potential to hold an event in November to showcase the report and issues identified. This event will likely feature high profile speakers in a panel discussion on the future of Jobcentre Plus, to be held at a venue in central London to be confirmed. Approximate expenditure will likely be c. £8,000.
- 4.3 This potential event would be an excellent opportunity to showcase our report to a wide range of stakeholders and to introduce Consumer Focus as an organisation active in this field. The event will follow publication of the report to allow time to introduce Consumer Focus to relevant stakeholders and to extend the reach of the report beyond October.
- 4.4 The final report will be printed in early October, we currently plan to release it on 14 October 2009 to coincide with the release of the unemployment statistics.
- 4.5 The advocacy element of the project will continue through October and into 2010. As the UK comes out of recession and with a general election is due in May 2010

unemployment will be continue to be a major operational and political issue and one which Consumer Focus will able to continue to input into.