



## Work and Pensions Committee Inquiry: Changes affecting Jobcentre Plus services

### Evidence from Citizens Advice

June 2016

Jobcentre Plus is about to undergo the biggest set of changes to its structures and functions since it was established in its current form in 2001. The roll-out of Universal Credit, the development of a support offer for those in work and greater responsibilities for those in long-term unemployment will all place new demands on the service and its staff.

At Citizens Advice, problems with benefits account for the largest area of advice we deliver. Last year, we helped our clients with over 1.8m benefits-related issues, the large majority of which are administered by the DWP. This means we see many clients who are also interacting with the Jobcentre. Most Local Citizens Advice offices also have a relationship with their local Jobcentre and district-level staff. We therefore collect a wide range of evidence from our clients and advisers across England and Wales - both about the types of challenges they experience with Jobcentre Plus, but also about how things could be improved.

For this submission, we gathered case study evidence submitted by our advisers on their work with our clients using Jobcentre Plus. We also spoke to a wide range of training supervisors in Local Citizens Advice offices about the Citizens Advice approach to training our advisers to support clients, and about their interactions with Jobcentre Plus. This is qualitative rather than quantitative evidence, so can only offer illustrative examples, but these may be useful as pointers for the Committee.

This submission sets out four broad challenges we see that Jobcentre Plus will need to address, if it is to successfully implement the range of reforms it is facing. These are:

- improving support for vulnerable claimants
- finding a more effective model for conditionality
- reviewing the existing focus on off-flow targets
- supporting claimants to develop new skills and meet new demands

We also explain how we approach the delivery of frontline advice and the training of advisors at Citizens Advice. Finally we highlight some of the changes we believe could meet the challenges identified, and place Jobcentre Plus in a better position both to deliver Universal Credit and to support its underlying aims of stability and progression for claimants.

## What are the challenges that a new model for Jobcentre Plus will need to address?

As the Jobcentre begins the process of change, it is useful to think about areas with room for improvement under the current model of operation. The list is not exhaustive, but identifies some of the recurring themes highlighted to us by Citizens Advice advisers.

### 1. Improving support for vulnerable claimants

Citizens Advice sees many clients with physical and mental health conditions who struggle to navigate the fixed rules of jobseeking and Jobcentre Plus. Many need extra help to undertake or understand certain tasks, encouragement to build their confidence and support to find work they are capable of sustaining. The current Jobcentre model can appear too rigid to provide this type of tailored support. Our clients report work coaches often only have a few minutes to speak to them and we see some instances of problems in support for more vulnerable claimants. This can have long-term consequences, particularly where it leads claimants to disengage from job search support altogether. Case Study 1 below illustrates this kind of issue.

#### *Case Study 1: Problems for vulnerable claimants*

Ryan is 22 and has severe learning difficulties. He receives PIP - enhanced rate for care and standard for mobility - and lives with his mother who looks after him. He works for 8 hours per week and receives JSA.

When Ryan came to Citizens Advice he was very distressed and his mother had to set out the situation. Ryan had struggled with keeping records of his job search and had tried to explain this to his work coach when he attended the Jobcentre. When he got home, his mother said Ryan was very upset and too afraid to return. She phoned the Jobcentre in an attempt to explain the situation. However, the work coach simply stated that Ryan had been sanctioned.

Ryan and his mother were now struggling financially and Ryan was also concerned about going back to the Jobcentre in future.

With overall unemployment levels low, the Government now views reaching and supporting those with more complex barriers as central to the aim of achieving full employment. As such, the Work Programme now looks set to be re-fashioned as a Work and Health Programme. However, work coach skills will also be vital - particularly where jobseekers now remain at the Jobcentre for two years. Training and support for work coaches may need to be reviewed on this basis, as we discuss in the final section.

## 2. A more effective model for conditionality

Better outcomes for more vulnerable users of the Jobcentre will also require a review of the current conditionality model. The new conditionality and sanctions regime implemented by Jobcentre Plus in October 2012 led to a sharp increase in the numbers of sanctions issued. While conditionality has always been viewed as an important aspect of a jobseeker's responsibilities and the effectiveness of the wider system, at Citizens Advice we also see cases in which sanctions have a detrimental effect on a client's chance of finding work or progressing. Given the centrality of these aims in the Universal Credit model and the new groups it will effect, a review of conditionality would be timely.

The challenges of the current conditionality system are particularly evident for more vulnerable claimants. For this group, sanctions may in fact be masking wider problems, or even exacerbating them, rather than helping that claimant to address and overcome them. If Jobcentre Plus is to become more effective at supporting vulnerable claimants, then policies on conditionality should be reviewed on this basis.

### *Case study 2: Problems with sanctions for vulnerable claimants*

Mark is 21 and lives alone in a local authority rented property. He is not currently employed but is looking for work. He spent his life in the care system after his mum died. Mark came to Citizens Advice in Greater Manchester and was referred to our Money Advice team for help with his debts. He was in arrears with his rent, Council Tax, gas, electricity and water bill, as well as his mobile phone bill.

Mark is receiving Universal Credit, but explained he had no income after receiving a sanction. This was due to failing to attend an interview. He was not signing on for UC at his closest Jobcentre and therefore had to take public transport. The last time he had tried to attend he had been caught trying to take the bus without a ticket and had to get off. He had sent in a copy of his fine as explanation, but had still received a sanction.

His Citizens Advice adviser rang the Jobcentre and found that Mark had in fact failed to attend several previous appointments. When asked about this, he explained he never had the money to buy his bus ticket; this was why he had attempted to travel without one for his latest appointment. The adviser also found he was now unable to appeal the sanction as his first missed appointment had been more than three months previously.

Citizens Advice were able to set up a meeting with the Jobcentre to talk about Mark's case. We suggested switching his appointments to the closest Jobcentre, having his work coach investigate overturning the sanction or helping him apply for a hardship payment, and looking into his wider support needs. Without this

intervention, Mark would most likely have remained in a cycle of debt and resulting sanctions.

The second - and related - challenge for conditionality policy is around communication. We see cases where clients do not understand why they have received a sanction, or are even given conflicting reasons for this. This can lead to frustration and confusion, with clients becoming nervous about their interactions with Jobcentre Plus, or less willing to engage. It also prevents clients from taking steps to address the reasons behind a sanction.

#### *Case study 3: Communications on sanctions*

Nathan came to Citizens Advice in London about a sanction. He was claiming JSA and living with his partner and their child. He brought a letter he had received from Jobcentre Plus, informing him that he was being given a sanction. The letter told him the date his payments would stop, but did not give him any reasons for the sanction or information on how long he had been sanctioned for.

At Citizens Advice, the adviser tried to help him reach DWP by phone. It took three phonecalls lasting 40 minutes to get through. Nathan was finally told he had been sanctioned for three months for failing to actively seek work. He was frustrated at the situation and that he did not know what was happening or why.

Finally, there are important questions about the way conditionality is applied to claimants in work. This is an untested area, involving applying conditions to a new claimant group with a very different set of options and constraints. Citizens Advice will be carrying out further research on the changes for in-work benefit claimants, with initial findings due in July 2016. However, the main issue identified in our existing evidence is that of work incentives; for in-work claimants, benefits are often supporting them to remain in work, unlike claimants out of work. This means there is a risk that sanctioning in-work benefits could reduce these incentives and may lead to people leaving work altogether.

Although the scope and rules on in-work conditionality have yet to be fully set out or applied, the best analogy we have comes from Tax Credit claimants. Under current rules, HMRC can suspend Tax Credit payments if they suspect a claimant is committing fraud. This can sometimes make it very difficult for those affected to remain in work, as the case study below illustrates.

#### *Case study 4: Problems with sudden loss of income for working claimants*

Ashley came to Citizens Advice in the West Midlands about her Tax Credit payments. Ashley is 21 and lives alone with her 18-month-old child. She has been

working for a telecoms company for the last four years; she originally worked 20 hours per week, but had recently increased this to 30 hours.

This change had created various difficulties with her benefits; her employer had failed to pay her new wage the first month, so had given her additional money the following month. This and problems with her childcare had affected her Housing Benefit and her Child and Working Tax Credits payments had been stopped.

The cancellation of her Child and Working Tax Credits had caused a sudden and substantial drop in Ashley's income. She was being chased for rent arrears and was struggling to pay for food. She now did not know how to cover her childcare bills and therefore to stay in work.

For both vulnerable and working claimants, there are real risks that conditionality applied without careful consideration of the claimant's situation could in fact undermine the very progression prospects that Universal Credit seeks to support.

### **3. A focus on off-flow targets**

The third area of JCP's operating model that our advisers identify with problems is the off-flow target. The focus on achieving short-term off-flows from benefits - regardless of whether or not the claimant is moving into sustainable work - can mean work coaches have to neglect the claimant's longer-term job prospects. This runs counter to the aims of the Work Programme for those who are longer-term unemployed, under which providers must support participants into sustainable jobs of at least three to six months to receive payment. Universal Credit is also based on aims to support claimants both into work and through to career progression. Jobcentre Plus targets now need to reflect these aims.

#### *Case study 5: Jobcentre focus on off-flow targets*

Michael came to Citizens Advice in Merseyside for help. He had switched from ESA to JSA six months before and at the same time had applied for an NVQ Catering course at a local college. He hoped to find a job in catering once he had gained his qualification and after that to become a chef.

When he came to Citizens Advice Michael was attending college every Monday until 2pm and had recently taken his Food Hygiene certificate. However, he was encountering several problems with his work coach. First, he had been given a sign-on time of 2.20pm on Mondays. He had explained this time would be difficult to make as he only finished college at 2. She was not willing to change his time, but said she would add a note to his file - nevertheless, when he arrived late one Monday this note was not there.

Since then, Michael had been continuing to rush between college and the Jobcentre, but had now come up against a new issue. His work coach was insisting he attend a four-week unpaid work trial in a local factory. Michael would need to attend every weekday, meaning he would have to give up his course. He had asked if he could attend his five days on placement from Tuesday to Saturday instead, but had been told that this was not possible.

Michael was now left with a dilemma. He was unwilling to give up on his course, as he was only two months from completing it, was keen to gain work in that sector and was also concerned that the jobs on offer at the end of the work trial were only seasonal positions. However, given the Jobcentre's position that even short-term work should take precedence over training, he now risked being sanctioned if he refused to leave his course. He wanted to know whether he could ask the Jobcentre to re-assess the situation.

#### **4. Supporting claimants to develop new skills and meet new demands**

Finally, it is worth noting that even clients who would not otherwise be classed as vulnerable will need new skills to make the transition to Universal Credit. These include budgeting and digital skills. Work coaches will need to be able to identify claimants' gaps and refer them to appropriate support.

Previous Citizens Advice research suggests this will be a significant task. Our pilot study on managing migration to Universal Credit worked with 1,700 clients from across the service. Looking at five possible areas for support, it found:

- 73% needed help with monthly payments;
- 77% needed help with budgeting;
- 52% needed help with banking;
- 81% needed help staying informed about UC;
- 66% needed help getting online;
- 38% of clients needed support across all five identified capability areas.<sup>1</sup>

Work coaches will need to be equipped to quickly spot gaps in claimants' skills and make sure they understand both what support is available and why it will help them. If this does not happen, we are likely to see many claimants quickly facing financial difficulties, such as delayed or incorrect payments, sanctions or debt. Again, this could drive many further away from a position in which they are able to think about work or progression.

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[https://www.citizensadvice.org.uk/Global/Migrated\\_Documents/corporate/citizens-advice-universal-credit-mmp-final-results---full-report.pdf](https://www.citizensadvice.org.uk/Global/Migrated_Documents/corporate/citizens-advice-universal-credit-mmp-final-results---full-report.pdf)

### *Case study 6: Support needs under Universal Credit*

Ahmed is 52 and had been claiming Universal Credit for seven weeks when he came to Citizens Advice. He has basic computer skills, but is not confident in navigating the internet. Ahmed's work coach had instructed him to apply for a job using an online form. However, he had found the process difficult and the application failed to send. As a result, he had been sanctioned for three months. He had received no previous sanctions.

Ahmed explained he had not been offered any support in filling out online application forms. He felt his work coach had not discussed the skills he would need or carried out any checks to ensure that he had these. He also felt he was not told who he could approach if he had a computer problem.

Ahmed was now struggling to survive without any UC payments. Citizens Advice helped him apply for a hardship payment and referred him for charitable support.

## **The approach at Citizens Advice**

There are many differences between the role of Citizens Advice as an advice provider and that of Jobcentre Plus, which combines support, advice and enforcement roles. However, there are a number of skills that frontline advisers at Citizens Advice require that could also be useful for a Jobcentre work coach. These include gaining a client's trust, supporting them to engage and reaching a genuine understanding of their situation and challenges.

**Supporting more vulnerable clients:** To meet these aims, advisers at Citizens Advice are encouraged to move away from a rule-defined system. Rather than asking clients fixed questions, they encourage clients to explain their situation themselves. Clients coming to us about a particular issue often have other underlying problems to be addressed; last year we saw nearly two million clients about over 5.5 million issues - an average of 3 per client. Advisers are trained to look for these and help the client to address multiple issues in an order that makes sense to them - dealing with what the client considers the most pressing first where possible. We find that helping the client to address their initial problem helps them to move on and think about their broader or longer term challenges.

One of our Advice Quality Supervisors in the West Midlands set out his approach to effective advice and support:

*"From our experience, the most important thing is making sure our advisors think of clients as individuals, who are just like us. We like to ask the question*

of our advisors, "if you needed this help would you come to this service?" This is something that starts with induction training, but has to be reinforced on an on-going basis.

"We try to foster a culture where clients come first, and staff feel able to speak out and challenge instances where this isn't the case. We encourage advisors to talk about their experiences with clients, to try to avoid burn-out or advisors becoming numb to clients' problems.

"We do training on dealing with difficult clients, but this emphasises that we need to understand why people act the way they do, that often clients come across as angry because they are stressed, upset, or struggling to cope with things that have happened previously - and not because they fundamentally difficult or aggressive people.

"We try to be flexible in order to meet clients' individual needs and understand that many of the people we deal with don't cope well with rigid bureaucratic systems. One example we have seen recently is with clients who go into the Jobcentre and are told that they need an appointment. They are told it can only be done by phone, but all the phones have been taken out of the Jobcentre. The client sometimes doesn't have a phone or will struggle to afford the call costs, so they are told to walk across town to our office to make a call."

**Training** our advisers and ensuring their knowledge is up-to-date is another important area for the service and, as for work coaches at Jobcentre Plus, this must be reviewed and reinforced on an ongoing basis. Each Local Citizens Advice is an independent charity, so will approach adviser training in slightly different ways. However, the case study below sets out the approach of a Local Citizens Advice in Derbyshire as one example.

#### *Case study 7: Adviser training at Citizens Advice Derbyshire*

Advisers' initial training begins with a period of induction. This is based on a mixture of classroom sessions, self-study, observations and supported client work with more experienced advisers. When both trainees and their managers feel they are ready they can progress to offering full advice.

The amount of time this process takes varies depending on the individual - including their available time, previous experience, background and confidence. The average time taken to complete induction is somewhere between three and six months, but the quickest will complete in one or two months and some take up to a year.



Ongoing training needs are reviewed every year, with volunteers and staff given the opportunity to feed in suggestions, before an annual training plan is drawn up. Courses can be delivered internally, but are often delivered in collaboration with local specialist partners to help advisers gain a fuller understanding of the client and their situation. These include local law centres, welfare rights organisations, counselling services and volunteer centres, who all help to deliver specialist training in certain areas.

This year, staff and volunteers raised concerns about how to deal with changes, challenges and vulnerable clients - particularly those with physical or mental health conditions. As a result, the office recruited bespoke training from a number of partners, designed to help advisers address challenges in the workplace around helping vulnerable clients and in providing more effective advice to these groups:

- Greater Manchester Centre for Voluntary Organisations provided training for staff in 'Developing Personal and Team Resilience'
- Derwent Rural Counselling Service offered training on 'mental health and wellbeing'
- Dementia Action Alliance trained some staff as specialist 'Dementia Friends'

**Digital access and skills:** Many Local Citizens Advice are also focusing on the increasing importance of the digital development of benefit delivery. Our 'Managing Migration' research into the transition to Universal Credit piloted both diagnosis of digital skills gaps and support - including from local partnerships - to improve clients' access and ability to get online.<sup>2</sup> 53% of clients initially stated they 'have been online to search, get information and carry out activities' - but may not have been able to do this regularly without support. For this group, we offered one-on-one assistance with the most important tasks, such as online forms. Following Citizens Advice support, 62% of participants reported improved skills and abilities.

Access is the second key obstacle, with many clients not owning a computer and therefore reliant on publicly provided facilities such as libraries. Many cite expense, as well as trust and privacy issues, as barriers - either due to not wanting to input personal information in public surroundings or a fear of fraud and identity theft through using online services.

Some Local Citizens Advice are now beginning to provide resources such as computers, free wifi in waiting rooms, factsheets available at reception and support to access on a mobile device if needed. However, there remain concerns that this capacity will not be sufficient to meet demand as UC rolls out.

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[https://www.citizensadvice.org.uk/Global/Migrated\\_Documents/corporate/citizens-advice-universal-credit-mmp-final-results---full-report.pdf](https://www.citizensadvice.org.uk/Global/Migrated_Documents/corporate/citizens-advice-universal-credit-mmp-final-results---full-report.pdf), p.22

## Where would we like to see progress?

Citizens Advice believes that there are a number of options for addressing the types of challenges we identified above:

### **1. Improving support for vulnerable claimants and getting ready for new claimant groups**

We would like to see increased training, support and empowerment for Jobcentre Plus staff, including more specialist advisers able to support those with a health condition or disability, those in self-employment, and those seeking to progress at work. One example came from an adviser at Citizens Advice in Rhondda, who highlighted the positive contribution made by the provision of a 'vulnerable adult' coordinator at Jobcentre Plus in Aberdare. This service had received very positive feedback from clients, particularly those with mental health problems.

Employers also need to be more closely engaged in the welfare system, particularly as in-work conditionality begins to take effect. As conversations on setting conditions and claimant commitments begin for those in work, work coaches should be seeking to engage and involve employers where possible.

Finally, Jobcentre Plus should continue to seek the support of specialist partners in supporting claimants with specific needs. Many Local Citizens Advice offices have worked to develop strong and constructive relationships with local Jobcentres, geared to better meet the needs of our clients.

#### *Case Study 8: Collaboration between Citizens Advice and Jobcentre Plus to support vulnerable groups*

In some areas, Local Citizens Advice are working to develop stronger partnerships with Jobcentre Plus to improve support for our clients. At Three Rivers Citizens Advice, advisers pointed out that they served a client group with significant needs, such as low literacy and mental health problems, in an area of high deprivation.

Advisers working with clients using Jobcentre Plus identified what they felt was a problem: that a 'needs assessment' (a standard practice in Citizens Advice process) did not usually take place for new claims. Indeed, this cannot take place in the case of online applications, preventing some with the greatest needs from making claims independently.

Three Rivers Citizens Advice managed to secure a meeting with their local Jobcentre Plus about this issue. The focus was on support for digital applications and how

Citizens Advice could help in this sense. Advisers discussed how many machines were available, whether booking was required and the best time to advise clients to use them, particularly if they needed support. It was found that, although there were fifteen PCs available in the Jobcentre, only one officer was allocated to help people with IT problems, or those who do not understand what is being asked of them. Jobcentre Plus agreed to review the issue following the meeting and it's hoped this will improve the help available.

## **2. A more effective model for conditionality**

The second challenge was in developing an effective model for conditionality, particularly for those in work and those with work-limiting health conditions. Given the big changes to the system under Universal Credit, as well as the claimant groups affected, there is now an opportunity to reconsider the current conditionality model and likely future challenges. The structure of claimant commitments; the identification of, and accounting for, barriers such as health conditions, disabilities or caring responsibilities; communications with claimants about sanctions; and the quality of decision-making should all be assessed.

## **3. A focus on off-flow targets**

Finally, with the aims of Universal Credit focused on sustainable employment and ongoing progression, there is now an opportunity to re-assess the main performance targets currently used by Jobcentre Plus. If these are to better reflect the aims of Universal Credit - and to bring them into line with similar measures already used in schemes such as the Work Programme - the focus should switch from benefit off-flows towards measures of sustainable work and progression.