

## 7 The role of Jobcentre Plus

Jobcentre Plus would retain a critically important central role in the delivery of employment, benefit and broader welfare services in the proposed model. It would have a range of responsibilities, some of which are new (in bold below) and others current:

- Helping claimants to navigate the welfare system as a whole and keeping track of them as they do so.
- Setting out and enforcing a client's rights and responsibilities.
- Job-broking services for the first period (up to a year) that someone is required to look for work.
- **Referral of clients to providers for tailored employment support.**
- **Maintaining information on claimants' progress through the contracted system.**
- **Building a detailed database on each client handed over to the contracted provider to inform the contracting model.**
- The payment of benefits, including the imposition of sanctions.
- The management of a national vacancy service to help disadvantaged people find suitable jobs.
- The continuing provision of a high quality service to employers to help them fill their job vacancies.

### Employment services in the first 12 months of unemployment

Jobcentre Plus would provide an integrated benefit and employment service for most unemployed people in the first 12 months of their claim, (though the precise period may vary for some claimants) and for most people in other client groups (for example, lone parents or people with disabilities) when they are first required to undertake work related activity. Jobcentre Plus would set out clearly at the outset the individual's rights and responsibilities and ensure on an ongoing basis that those

responsibilities were being met. The client would be given jobsearch support and access to other services as necessary to help them understand their options and build and maintain their confidence and motivation.

For the newly unemployed, this would leave largely in place arrangements that have proved to be efficient and effective in recent years.

## The 'gateway' to tailored employment support

At the appropriate stage, Jobcentre Plus would refer people to specialist private and voluntary sector providers for more intensive, tailored employment support (as set out in Part 3). Jobcentre Plus would assess claimants at the point of referral to segment them into different needs groups with commensurately different outcome payments (in line with the model described in Part 4). This would be a key input into the funding model, to allow a process of continuous improvement in the terms on which contracts were set.

In some cases Jobcentre Plus would refer people to providers at an earlier point in their claim on the basis of an initial diagnosis of need. As Part 3 sets out, this could include those who have been unemployed for much of the previous 1-2 years. Similarly, some lone parents or people with disabilities who had no recent work experience could benefit from private and voluntary sector customised support sooner. Jobcentre Plus would maintain strong working relationships with providers to ensure that the transition into provider services was seamless and smooth.

## Benefit services and the ongoing customer relationship

Jobcentre Plus would provide benefit services, and take ongoing responsibility for the customer's overall welfare needs, throughout the claim. For the majority, the strong message surrounding any benefits interaction with Jobcentre Plus would be their responsibility to look for work.

The integration of the 'work first' message into the delivery of benefit services has been a major factor in the success of the UK labour market. The Australian experience highlights the problems that can arise when this link is not made. Jobcentre Plus would therefore work with providers to police the rights and responsibilities regime. Where an individual failed to comply with a reasonable request from their provider, they would be referred to Jobcentre Plus for a discussion of their reasons. Jobcentre Plus would impose benefit sanctions where appropriate. In most cases a temporary suspension of benefit would be enough to get the claimant to re-engage, at which point the missed benefit would be paid back in full.

Providers would have the incentive to link clients to other services where these would promote successful employment outcomes. Where the link with employment was less strong, however, the onus would be on Jobcentre Plus to help the customer to navigate the system.

The focus of Jobcentre Plus contact after, the point at which claimants move to contracted support would be on responsibilities linked to benefit receipt and the identification and handling of any broader client needs; the most appropriate means of maintaining this contact needs to be explored. People referred to private and voluntary sector providers could have any mandatory interventions delivered by their provider. This would help to ensure a fully integrated employment service but reduce flexibility for providers. Alternatively, Jobcentre Plus could continue to enforce jobsearch responsibilities and deliver any prescribed interventions, leaving providers free to focus on the tailored, intensive support they judge to be needed to get the best results for each individual. Importantly, Jobcentre Plus would continue to “own” the customer in the sense of knowing where they were in the system at any given time.

## Facilitating access to the broad range of welfare support

Government agencies have traditionally focused on delivering the services for which they are directly responsible with at most very limited consideration of, or support for, a person’s broader needs. This has started to change – for instance Jobcentre Plus staff operating from prisons – but the pace of that change must increase dramatically. The public service of the future will put aside organisational boundaries to deliver services designed around the whole of their needs.

The recent report by Sir David Varney provides a blueprint for this change.<sup>66</sup> Sir David outlines how the time and money of Government, citizens and businesses could be saved by examining the scope for integrating front-line service delivery. He makes a range of recommendations, including the development of:

- a change of circumstances service, starting with bereavement, birth and change of address, with initial work to be led by DWP; and
- a cross-Government identity management system to enable greater personalisation of services and to reduce duplication across Government, building on a proof of concept project to share data between DWP, HMRC and 12 local authorities.

As a major deliverer of services to millions of citizens, Jobcentre Plus has a vital part to play in the transformation of public services that Ministers and Sir David Varney envisage. They also have the only public facing Government network of offices across the entire country as well as sophisticated call centre and internet operations. Jobcentre Plus already has strong relationships with a myriad of partner organisations, and staff on the ground seek to link customers to other services they might need. For example, separately from the above proof of concept project, Jobcentre Plus is already running a trial with HMRC to improve the overall experience in relation to benefits and Tax Credits on starting and leaving work.

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<sup>66</sup> Service Transformation: A better service for citizens and businesses, a better deal for the taxpayer, December 2006.

### **Service integration across benefit and transfer payments: the North Tyneside trial**

DWP, HMRC and North Tyneside District Council have over recent months been developing and testing possible service improvements in a trial in the North Tyneside Local Authority district in the North East of England. This has focused on delivering improvements in the client experience during the transition into and out of work through closer working and service integration. This is not wholly new territory – these organisations already seek to share information as part of many core processes – but it represents a potential step-change in the scale and impact of that activity.

When an unemployed person in the trial area leaves benefit to take up work, Jobcentre Plus staff will work with them to initiate and partially populate a claim for Tax Credit at the same time as they close the benefit claim. They will similarly pursue possible Housing Benefit/CTB claims or changes in conjunction with local authority staff. This ensures that people are aware of, claim and much more quickly receive in-work benefit and Tax Credit entitlements.

Conversely, when someone leaves work and claims JSA, Jobcentre Plus staff share information as appropriate with colleagues in HMRC (so that appropriate Tax Credits can be stopped immediately, thus avoiding overpayments and debts) and the local authority (to initiate or amend a claim for Housing Benefit/CTB).

In the initial stages the trial has involved some co-location of staff. This has helped to break down organisational barriers, in particular increasing levels of trust between people working in the different organisations so that one is prepared to take the authority of another as sufficient evidence that information is correct. It should, however, be possible to achieve similar results without co-location.

It is too soon for evidence to be available on the impact of the trial on employment outcomes but the initial impact has been very positive.

- More claimants are aware of potential in-work entitlements.
- Claimants moving into work are having Tax Credits processed within 3 days.
- People moving out of work are receiving both JSA and Housing Benefit within around 15 days, compared to a baseline of around 40 days.

It seems likely that further substantial improvements could be achieved over time.

In addition, through the new Customer Management System the Department is working to better join up claims for Housing Benefit.

### **Joining up Housing Benefit – the Customer Management System**

The Customer Management System allows working age clients to experience, as far as possible, a single claims process when claiming Housing Benefit and/or Council Tax Benefit alongside claims to Income Support, Jobseekers Allowance and Incapacity Benefit.

Jobcentre Plus gathers the necessary benefit claim information and work-focused activities through the CMS scripted questions over the telephone. This single claims process simplifies procedures and avoids considerable duplication by enabling the collection of all the necessary information just once.

When all the benefit information and the evidence in support of the Jobcentre Plus benefit(s) has been gathered the relevant Housing Benefit and/or CTB information and details of the evidence provided are sent to the local authority on a paper input document. When the local authority receives this they will consider whether they need to contact the claimant for any further information or evidence before making a decision on the Housing Benefit and/or CTB claim and any relevant payment. For example the LA would need to contact the customer for proof of rent on rent allowance cases.

There is scope to go much further. A large number of functions are currently spread through the system, making it hard to navigate. With responsibility for tailored employment support for the hard to help transferred to the private and voluntary sector, Jobcentre Plus should have the capacity to become the natural one-stop shop for a large number of standardised services for the mass market. This would place Jobcentre Plus at the heart of a connected set of welfare services, giving claimants and the taxpayer the full advantage of the contact it has and its physical presence on the high street. Jobcentre Plus could provide a one-stop base for relevant changes of circumstance, as proposed by Varney; consolidate the provision of benefit services, including working tax credits and housing benefit; sit at the heart of an integrated employment and skills service (Leitch); and further promote access to formal childcare (Harker).

In order to meet the ambition of the Leitch review that 95% of adults should have basic skills, the Government will need to go further than it does at the moment. There is an obvious role for Jobcentre Plus and their partners in identifying claimants who have basic skills needs as a barrier to employment.

### **The Leitch Review of Employment and Skills**

In Budget 2006, the Chancellor commissioned the Leitch Review to consider how better to integrate skills and employment services. The Review reported in December 2006. It concluded that, under current arrangements, people have difficulty accessing services and do not receive the full skills and employment support they need. As a consequence people may be trapped in worklessness or low-paid jobs.

The Review recommended a number of reforms designed to create an integrated employment and skills service. These reforms would contribute to increases in sustainable employment and progression and to reductions in child poverty. In particular the Review recommended:

- a new programme to help benefit claimants with basic skills problems, including: basic skills screening for benefit claimants at the point of claim; more help for people to improve their basic skills without delaying their return to work; improved skills support for people cycling between welfare and work; and improvements in the quality of training;
- a new universal adult careers service providing labour-market-focused careers advice for all adults. This service would deliver advice in a range of locations, including co-location with Jobcentre Plus, to create a national network of one-stop shops for careers and employment advice;
- a new integrated objective for employment and skills services of sustainable employment and progression; and
- a network of employer-led Employment and Skills Boards to give employers a central role in recommending improvements to local services, mirroring the national Commission for Employment and Skills.

These proposals support the recommendations of the Leitch Review in two main ways:

- firstly, by explicitly building retention and progression incentives into the Government's contracting for support for the most disadvantaged; and
- secondly, by facilitating a change of emphasis within Jobcentre Plus towards providing core support to new claimants. A central feature of that support will be basic skills screening and support, designed and delivered in partnership with employers, other agencies and providers.