

Work and Pensions Committee

Oral evidence: Get Britain Working: Reforming Jobcentres, HC 653

Wednesday 11 June 2025

Ordered by the House of Commons to be published on 11 June 2025.

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Members present: Debbie Abrahams (Chair); Johanna Baxter; Mr Peter Bedford; Steve Darling; Damien Egan; Gill German; Amanda Hack; Danny Kruger; Frank McNally; John Milne; David Pinto-Duschinsky.

Questions 110-156

Witnesses

I: Alison McGovern MP, Minister for Employment; Ed Lidington, Director, Labour Market Strategy, Policy and Analysis, Department for Work and Pensions; and David Barrow, Director, Jobs & Career's Service, Department for Work and Pensions.

Examination of witnesses

Witnesses: Alison McGovern MP, Ed Lidington and David Barrow.

Chair: Good morning and a very warm welcome to the final session of the reforming jobcentres inquiry. It is a pleasure to welcome the Minister for Employment, Alison McGovern, and her officials Ed Lidington and David Barrow. Alison, do you want to say anything before we start?

Alison McGovern: Just thank you so much to the Committee for doing the inquiry. We welcome it and it is great to be with you this morning.

Q110 **Chair:** Thank you. I will kick off and then other Committee members will have some questions for you. Successive Governments have tried to reform jobcentres with various degrees of success. How confident are you about whether the impacts you have identified and want to achieve will be achieved?

Alison McGovern: We saw a big change with the creation of Jobcentre Plus, but that was some time ago now—more than 20 years—and the time is ripe for some big changes in our jobcentres. I have previously called them the most unloved public service and I do think they have been somewhat overlooked as a part of the public sector.

As a Government overall we have a big ambition to move towards the 80% employment goal and the work that goes on day in, day out, in all our work coaches' conversations on the frontline with our customers, is



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an incredibly important part of our journey towards 80%. I am confident that we can make a difference, for two reasons. First, when I arrived in the Department last year there were some things that I knew I thought should change. What I did not know is that there are lots of people at the frontline already trying to improve things and trying to make a difference. We are working within the grain of what our frontline colleagues already know and what they know can work better.

I have confidence because our frontline teams are capable and well skilled, and I also have confidence that we can make a difference because we must. There are still too many parts of this country where people are working very hard for their poverty and they need better choices and opportunities in life, and I think the public support for that change is strong, so we will make a difference.

Q111 Chair: Apart from your opening remarks about jobcentres being the most unloved public buildings, what assessment have you made of the impacts you want to achieve? How likely are you to achieve them?

Alison McGovern: We have our 80% ambition and we have published some outcome metrics, which I am sure the Committee will be aware of, to unpack that 80% because, as the Committee will know very well, underneath the overall labour market picture in the UK we see real gaps both in terms of geography and people's characteristics. Some parts of our country are already at 80% while others are way behind.

Our metrics are trying to help those at the bottom end of the income distribution to move towards the middle, reducing local variation, reducing our health-related inactivity, which has been very serious and has risen greatly recently, and closing the employment gap between disabled people and those who are not disabled. The Committee community will know that we also have a big problem with young people. We want to make progress on our NEET rates and get them down.

Finally, for parents and women, we want to make sure that we continue to close the gender employment gap and also help more parents in the labour market. We are looking at a series of measures underneath the 80% target and we want to try to work from the frontline back, to work out how we can make progress towards 80% on each of those measures.

Q112 Chair: Can we expect to see more details about the new jobs and career service? At the Public Accounts Committee a few weeks ago the permanent secretary described how the allocated £55 million will be spent; would you like to add any detail to that, on not just the programme but the timings?

Alison McGovern: I am committed to keeping Parliament updated about the new jobs and careers service. We have started the work to build a new service, working primarily with our frontline colleagues at Wakefield. I will bring in Ed and Dave to talk about the details and the funding that the Chancellor has allocated to get the new jobs and careers service going.

We have also been investing in our digital technology, because the principles through which we want to improve the service are based on



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two things: the better use of technology and the better use of time. We are building new digital tools both for our colleagues and for the public through jobcentre in your pocket, to make the system work better.

The more we can allow the technology to take the strain, the more time our frontline colleagues will have to do what only a human being can do for another human being, which is build that personal connection. We think using better technology to give us more time is how we are going to improve the quality of the service. The £55 million has been invested in developing that technology and moving forward with our pathfinder for the new jobs and careers service in Wakefield. Ed, do you want to add some detail?

Ed Lidington: I am happy to. This year, as the Minister said, we are focusing on testing and learning the approaches that work. Wakefield is our first pathfinder, and we are excited about the progress we are making there. It is still early days and there is more testing to come, so that is our initial approach there. Over the course of the next few years, the testing approach will continue. We see this very much as an iteration and a focus on continuous improvement of the service that we want to offer to people. That is a fundamental part of what we are doing. Dave, do you want to say anything more about what we are doing in the pathfinder?

David Barrow: We are working with colleagues and listening to customers. We are reviewing how we see customers, trying to understand whether there are opportunities to see them differently and, as the Minister said, how we can support with digital to add to the service and to free up time for our work coach colleagues. A huge part of that work is about making sure we get feedback from colleagues. It is early days of getting that feedback. We are on the first few sprints of activity and testing hypotheses. Within the pathfinder, we are testing the coaching academy support for our colleagues to see whether we can understand what more we can do to support them to offer a better service.

Chair: Thank you.

Q113 **Steve Darling:** Thank you so much for joining us today. I want to understand the relationship, which at the moment feels as if it is about compliance and making sure that people are jumping over the right hurdles, but there is going to be a move away from that. What culture are you trying to drive? What key values are you drawing from that so that it ends up being more of a "doing with" than a "doing to" approach?

Also, I shudder when I hear officials talking about customers. Customers normally have a choice about where they go. I do not think people have much choice with the jobcentre unless, of course, they get a job. I would welcome some reflections on those areas.

Alison McGovern: Thank you for that question, Mr Darling. I will come to the point about customers in a second.

You asked about the culture. In our White Paper, we set out that the culture needs to change and we set out the principles of that change. It is



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very important in social security that there are clear rules that everyone can understand. All of us as citizens will have some engagement with the social security system at some point, so there must rules, and if we do not comply with those rules, there will be consequences for any of us. We have to provide ID and comply with the basic rules and principles of social security. To me, that is a very simple principle that maintains trust in the system.

With the new jobs and careers service, my analysis of the problem is that because our work coaches have very little time with the people they are trying to help, they cannot use their skills and practical knowledge to help people to deal with the barriers to work that they face. The culture change that we need is to give people more time so that we can build a more personalised service. That is what we are looking for.

Let me describe the change that I want to see. At the moment, for a lot of people, going to the jobcentre is often not, as you described, a choice. Going to the jobcentre can feel like something bad has happened in life and, "This is not a good day when I am having to go to the jobcentre." In future, I would like people to feel that when they went to the jobcentre that was the day things turned around—a turning point in their life—and that is the culture change we are trying to build.

The point about customers is interesting. Quite a number of people who work on the DWP frontline have a retail background, which I do not think that is a bad thing because we should have a culture of service, but we can say citizens, if you like. I do think that whenever our frontline staff, whether in DWP, the NHS or any other bit of the public sector, meet the public it is a chance to build confidence and trust between the state and citizens, and that is an important principle as we rebuild the culture in DWP.

Q114 Steve Darling: Thank you. I want to pick up on creating more time. I have visited my jobcentre in Torbay. The Torquay office is full of very good people who want to do the best for our community, and they are really good advocates for their work, but when I have sat down with a job coach, I have seen that the volume of work is horrific and just more time is not the answer. How will you drive culture change throughout the organisation? What touchstones will you deploy and how will you make sure that people are alive to the positive and more engaging culture that you have alluded to?

Alison McGovern: As I mentioned at the beginning, lack of time is one of the underlying problems. The other is technology. I still feel like a relatively new Minister, not even a year yet in the post, and one of the things that surprised me, coming into DWP, was how old some of the technology is that we expect our frontline colleagues to use. That can be improved.

We often talk about the box-ticking culture in jobcentres; some of that box-ticking culture comes from having technology that feels to me like it is from the ark in comparison to what a lot of businesses would be using. It is extremely frustrating for work coaches when they know that they can help somebody to have confidence in themselves to move into work



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but the thing that is holding them back is manipulating the old Excel spreadsheet that they are having to use. This is why we want to use newer forms of technology to help to support our work coaches, because every minute we save in the admin is a minute that can be spent on the human being sitting in front of the work coach on the other side of the desk.

We also want to use data to build jobcentre in your pocket, so that for those people who are perhaps slightly closer to the labour market or who are more used to receiving public services digitally on their smartphones or whatever, we can empower and enable them to do so. That is not just about using technology for the sake of it. It is to improve the quality of the service, because through understanding our customer journey better—apologies for saying customer—we can help open up better chances and opportunities through the different kinds of jobs that we suggest to customers. The idea of jobcentre in your pocket is to improve the quality of service for people who are engaging with us digitally, partly to release more time but also because we believe that that will increase the propensity for people to be in work and to be in good work.

Q115 Steve Darling: I have a brief follow-up question. Financial services sign up to a code of practice around what expectations clients or customers should expect from them; could the DWP benefit from a similar holding to account?

Alison McGovern: By us asserting how we believe we should be serving?

Steve Darling: In financial services, it is about asserting what the expectations are between the two interacting bodies, such as giving the best deals on savings and so on, giving clear expectations. Financial services, banks and so on sign up to that. Could the DWP benefit from a similar approach?

Alison McGovern: Yes, I think we could.

Steve Darling: Thank you.

Q116 John Milne: I have a few questions about the sanctions regime, but don't worry, I am not talking about the Israeli far-right Ministers; you have not stumbled into the wrong Committee. We have heard a lot of evidence about work coach appointments being undermined by the threat of sanctions, which are having a negative impact. Do you think there are cases where sanctions are appropriate and, if so, what sort of sanctions?

Alison McGovern: Thank you for that question, Mr Milne. As I was saying in response to Mr Darling's question, it is important that we have clear rules that everybody can understand. If people are on universal credit and going into the jobcentre, it is really important that they understand what is expected of them, and that if they do not fulfil expectations, there are consequences. It is also important that broadly in society, people understand how it works. Social security has become very complicated and that does make it harder for people by and large to understand how it works, and that is a problem.



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You are talking about the evidence about the effect of sanctions and I understand that. It comes back to Mr Darling's question about the culture change that we are trying to bring about. What I am really bothered about is the quality of service that people get from DWP, particularly in jobcentres. That is our focus. There must be rules that people can stick to, but the thing that has fallen down—the thing that has gone wrong—is the help that people get to move into work, and we need to radically improve that.

Q117 John Milne: I take it that you support sanctions; what sort of sanctions? For example, do you think the threshold for financial sanctions is set too low and that we jump to the threshold too quickly?

Alison McGovern: It is really important that the judgment about that is taken by somebody dealing with the situation of the person in front of them. Personally, I think that our work coaches and people who are working with customers day in, and day out have quite a lot of good judgment, and it is important that they should be allowed to exercise it.

From talking to work coaches, I know that it is not always easy for people to get to the jobcentre. I can give you an example. I was talking to some work coaches in a jobcentre in north Birmingham. It is a big area of unemployment, and the work coaches were talking about public transport and how challenging it can be for some people to get to the jobcentre. That is a problem, because we want people to have that service and to be able to access it. That is why we have experimented with, for example, the jobcentres on wheels, to see whether there is a way that we can take our service to where people are. Lots of outreach is happening where work coach colleagues have found ways, working with community centres, to be closer to where people are, to build confidence with the people that we are trying to serve by getting closer to them. That is the way to approach it.

Q118 John Milne: So you are not seeing the need to intervene or make changes to the sanctions regime as it stands?

Alison McGovern: That is not the focus of our new service, no.

Q119 John Milne: Okay, thank you. There is a lot of emphasis now on safeguarding within DWP's culture—a culture shift. Are conditionality and sanctions not slightly uneasy bedfellows with that new culture?

Alison McGovern: Forgive me: is the new safeguarding policy in conflict with sanctions and conditionality?

John Milne: Yes. How does the thinking that the culture in the DWP has perhaps been too performative and punitive, and should place more emphasis on safeguarding, sit with maintaining sanctions and conditionality? Are they not somewhat in conflict?

Alison McGovern: First, if I may, Mr Milne, I am very conscious that we are meeting only shortly after the second inquest for Jodey Whiting and I am very conscious of what her family will have been through. I am thinking about them a lot.



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We have suggested some ways we can look at the issue you are alluding to through safeguarding, and that is a very important bit of work that the Committee in the previous Parliament looked at in detail. All that we do in building the new jobs and career service will be a part of that, and we will take those principles into account. Where we can find improvements, we will make them. I want the new jobs and career service to be built with that new safeguarding approach at its heart.

However, there will be rules and people will have to stick to the rules. That is the principle on which social security is built, and everybody in our country should be able to understand them. The focus of the new service is the ambition to get to 80% and looking at all the interventions we can make to get there. Our focus is on improving technology, giving our frontline work coaches more time and—something we may get into more in this session—localising the service so that it can deal with some of the deep geographical inequalities in our UK labour market.

Is there anything that either of you want to add from a policy point of view?

Ed Lidington: Only to say that safeguarding is important for us and I know the Minister and the Secretary of State are taking it very seriously. Thinking about safeguarding issues will be at the heart of the work we are doing for the jobs and career service. I can give you that assurance.

Q120 **John Milne:** I have one last quick question. A predecessor Committee, I think in 2019, recommended a yellow card system—like a warning, if you are not familiar with football—before you get the sanction, so before you are sent off.

Alison McGovern: That is not the focus of the new jobs and career service we are building. I want people to be receiving the service. There will always be a very small proportion of people who do not stick to the rules and there will have to be consequences for that. In years gone by, there may have been more focus on that, but we are building a better-quality service where we actually use the skills and talents of our frontline to serve the citizens of this country.

Q121 **Amanda Hack:** Thank you for joining us today, Minister. It is very good to see you. One of the things we want to encourage is for people to get good work and that work being satisfactory and satisfying for the person. How are the Government defining good work? What does it look like?

Alison McGovern: I ran through the metrics beneath the ambition of 80% that we are looking at across our goals. Dealing with inequality in the labour market is a part of what we want to achieve.

Looking at the UK labour market, my reading of the data is that we have quite a large number of people at the bottom end of the labour market, who are stuck on pretty low pay and in many cases do not have the number of hours that they want. We know that we have a problem with progression up through our labour market, and that manifests itself at the macro level in a productivity challenge for the whole economy.



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When I say “good work”, I mean jobs that mean a person is more likely to stay in work, which will help us with our 80% employment rate, jobs where people are more likely to progress, which will help us tackle poverty, and jobs where we are more likely to be able to provide businesses with the kinds of skilled people that they need to grow our economy.

DWP is working with colleagues in Government to try to identify where we want to grow areas of employment in two cross-Government ways. The industrial strategy, which will be coming soon, provides a lot of opportunities for us to get people into good work, and our employment rights legislation will deal with some of the deep inadequacies in the labour market where people are unfortunately working quite hard for their poverty.

Q122 Amanda Hack: Do you feel that combining Jobcentre Plus and the careers service is the next step to building confidence in claimants to be able to build a career? How do you see that working?

Alison McGovern: Yes, I do, and I will bring Ed and Dave in to talk about the practicalities.

I can give you an example. In one of the first jobcentres that I visited after being appointed, one of the work coaches spoke to me about young people coming in asking for advice about employment on zero-hours contracts and feeling really worried about it. A lot of our young people—nearly 1 million—are effectively on the scrap heap, and they need a start. They need a chance for a career. If we are going to deal with the potentially scarring effects of the current level of youth unemployment, we need to make sure that it is a job where they are going to be able to learn and progress. It comes back to Mr Darling’s question: that culture change and being more discerning about the kinds of roles that we help people to get into is very important. Ed, did you want to comment on how we are managing that change?

Ed Lidington: Yes. Integrating the career service with Jobcentre Plus is obviously a key plank of the reforms that we are taking forward. I can say a few things about that.

First, we have a really good base to work on. The National Careers Service has a presence in over 80% of jobcentres at the moment in England, which is a very good base to work from. Also, over half of referrals to the National Careers Service currently come from Jobcentre Plus, so there are already good links between the organisations.

To come back to the point we have discussed around culture change, bringing those two services together and integrating them allows us to provide an improved service for citizens and to make sure that careers advice is at the heart of what we do. To go back to some of the points we have talked about around good work, it is a major focus for us. We are working in the pathfinder on exactly how best to make it work, but I can reassure the Committee that we are focused on it.

Alison McGovern: Dave, do you want to say what we are doing in the pathfinder?



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David Barrow: With the pathfinder, we are taking the test and learn approach that we have already mentioned. We have a team on the ground of colleagues and representatives from the mayoral strategic authorities and the local authorities. Importantly, we also have careers advisers helping to shape that service as well.

Coming back to the culture point, it is important that DWP learns from the culture in the careers service about some of the things they can bring to help us to focus our support for customers. I am pleased that they are already involved in the pathfinders and that we are getting their advice on how best to build a service.

Q123 **Amanda Hack:** Lovely. Finally, do you think there would be more value for money in supporting a claimant for a little bit longer to get the right job for them, rather than encouraging them to take any job?

Alison McGovern: I will go back to what I was saying about building jobcentre in your pocket. There are areas, particularly for those who are closer to the labour market, where offering people a better-quality service might help them move into work more quickly. The direction of travel for the service is to try to help people who are further away from the labour market. I am excited about that. You can go into your average jobcentre and you will definitely meet somebody who has worked there for 30 years or more. They will have a lot of knowledge.

I am confident that we are up to it in terms of supporting people who are further away from the labour market. We will be thinking about the time as we go. We will be building as we go. What we will need to help us do that is our relationship with organisations locally. We only support people if we look at the whole human being and what is going on for them in their lives. We need the volunteering and community sector for that and we need employers. We need to strengthen our relationships in the local places where the jobcentres are. I will take a balanced approach to that question, because there are some areas where we would want people to move and find a good job more quickly and others where we are looking to support people who have been out of work for longer. That is a harder job but I think we are up to it.

Q124 **Johanna Baxter:** Good morning, Alison. It is very good to have you here. Thinking about what good work looks like—decent pay, empowerment, flexibility, respect, progression, all the things that people would hope for in a career rather than just a job—how do you reflect the desire for all those things in claimant commitments? I understand that it is not easy.

Alison McGovern: First, I would say in response to how you reflect all of that is that it should be personalised. One of the main principles that we are trying to bring about in the culture change is to have a more personalised service. What a good job means is relative to the person who is doing it. It comes back to Ms Hack's question, which has led me to think about people who are further away from the labour market. A job has to be the right job for that person, and I can think of lots of examples of people in my own constituency who perhaps thought they would never



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work who are now working. If that work is rewarding for that person and giving them a sense of contribution, that is a good and important job.

However, thinking about larger groups where we have real problems— young people, parents and so on—questions of progression are really important. I will bring Dave in again with the detail, but the way that we reflect that through the claimant commitment is by developing it practically. What helps people to understand what is expected of them and what will the jobcentre service do to help support them? That is what we need to build through the new service. Dave, do you want to talk about the test and learn?

David Barrow: Yes. One of the elements in the Wakefield pathfinder we have started testing and learning is how we can improve the claimant commitment. How can we ensure that we learn and resolve people's concerns about the money they are entitled to as quickly as we can? Then, how do we ensure we have time for a really good, thorough conversation about people's barriers to work? How do we help a person back into work? We are looking at how we separate those conversations so that we can get much more from them and spend much more time on the back-to-work help. That is trialling at the moment and as we get the results of those tests and learns, we will make some decisions on where to go next.

Q125 **Johanna Baxter:** Do you want to say a little bit more about the work you are doing with colleagues in the Department for Business and Trade to make sure that there are good jobs that are being created in this country rather than jobs that do not have decent pay, terms and conditions, empowerment and progression?

Alison McGovern: Thank you, Ms Baxter. I was very pleased and proud to be a part of the team of Ministers that worked on our historic employment rights legislation. As I mentioned before, I am very confident that that will help us at the frontline. It has been raised by jobcentre colleagues. We do a lot of work recruiting for the care sector, for example. I do not need to rehearse for the Committee what an important job that is and some of the employment practices that can really undermine very skilled, very hard-working people in the care sector.

Improving the legislation for employment will help us when we are thinking about how we help customers to move into work that is going to be sustainable, that is going to make a difference to their income, where they are going to stay and work for longer and help us to move towards the 80% employment rate. I work very closely with DBT Ministers to get the legislation right. The Department for Work and Pensions is responsible in particular for statutory sick pay policy, so we work very closely there.

Moving towards the industrial strategy, we have been talking to colleagues and thinking about the sectors that they are looking at. Personally, I am particularly bothered about those places in the United Kingdom where we do not have enough jobs and where the demand side of the labour market equation is too low. I am sorry to say that, but I am



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hopeful that this afternoon we may hear a bit more about the Chancellor's investment strategy that will help us with some of that. Obviously, I cannot go into the detail of that but the Government's overall strategy to invest will consider those places where demand is too low and where the job for our work coach colleagues is harder than it should be because they do not have enough good jobs around them.

We are working very closely with DBT to think about the industrial strategy sectors, what the pathways are into those sectors, where we are expecting growth, and how we can make sure that people who are furthest from the labour market are uppermost in the minds of those businesses and those employers who want to grow and who want to bring people into their businesses as they do it. We are the bit of Government that can help them to do that.

Q126 Johanna Baxter: Do you think the Government should be doing more to improve the rate of statutory sick pay?

Alison McGovern: I am going to answer that in probably a slightly more formulaic way than might be ideal and say that we have just got it under way. The legislation has just been passed. What is important is that we get the improvements to statutory sick pay bedded in. It will help more than a million people who have not been entitled to sick pay. As a Department, we are looking at it very closely and I am sure that Parliament will discuss the issue that you raise over the years to come. My priority at this moment is making the legislative change that we have introduced work well.

Q127 David Pinto-Duschinsky: Thank you so much, Minister, for coming to speak to us. It is incredibly welcome and heartening to hear your vision for the extension of work coach coverage to make sure that they have more time to spend with everyone, and about the use of time and technology as the focus. Obviously, one of the challenges is that there is currently a shortage of work coaches. Given that, how do you intend to deliver your vision?

Alison McGovern: Thank you, Mr Pinto-Duschinsky, for that question. You will be aware of, and the Committee will know very well, the recent NAO report on this question. Essentially what happened is the previous Administration left us in a situation where, in policy terms, they had overcommitted compared to the number of work coaches that we had. We have therefore had to take decisions to deal with that. The NAO report covers questions of local flexibility and the decisions we have taken to try to rebase demand and supply. That is where we are at the moment.

I have talked about the change that we want to make, as you mentioned, both improving technology and getting more and better time. That is the way that we manage into the future, trying to save every possible minute that we can by letting technology take the strain of our very extensive admin. The Department has a big programme to improve the back office so that we save time and resources.



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Then, through the development of the new service, we will be trying to look at our customers and understand where our time has the most effect. If we are trying to move towards 80% employment, how do we best spend our time so that we give each person we engage with a higher propensity to move into sustainable employment? Ed, do you want to come in on supply?

Ed Lidington: Yes.

Alison McGovern: One other aspect that is important is the development of our people and what we are doing with the work coach academy. Our work coaches have a great deal of experience and very strong practical knowledge. By mobilising that more, we will be able to do more with the number of people that we have got. I will let Ed come in on how we balance supply and demand.

Ed Lidington: The NAO report sets out some of the evidence on which our regimes are currently based and the model we have. We have two randomised control trials working at the moment, one focusing on the frequency at which we see customers and different groups and the other looking at the mode by which we see them. Those trials are testing whether or not we can make changes, because our evidence base, while strong, is from the mid-2000s and 2015, so before the universal credit system had been fully rolled out. We have those trials under way and they will give us a good set of evidence.

I have two other points. First, in creating a universal service, as the Minister said, digital tools will be really important in thinking about how we can see a wider group of customers, and also customers that we already see. Secondly, the spending review is being announced this afternoon. Like every other Government Department, we will have a budget that we will need to meet and that will obviously be a consideration. We will have more work to do once we get the evidence in and the spending review is clear. However, we are looking at that model very carefully as part of the service that we want to design.

Q128 **David Pinto-Duschinsky:** Minister, I was heartened to hear you mention the work coach academy, which sounds fantastic. How do we make sure that we get the best quality of advice through our work coaches? In particular, how is their knowledge of the labour market and the local labour market honed so that they give the best possible advice to get people into the best possible jobs?

Alison McGovern: I will bring Dave in in a second to talk about the development of the work coach academy.

At the outset, because the jobcentres have been a bit unloved, it is really important that parliamentarians engage in the quality of the service, and I am committed to updating Parliament regularly as we move forward in building the new service. Because the spending review is happening this afternoon, there are things that we cannot say or run through here, but I hope that I will have an opportunity to come back to Parliament very soon to talk through that and get questions from colleagues.



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The purpose behind the work coach academy is exactly as you suggest. It is to take the practical knowledge we have, try to systematise it and use it better, and then help our frontline colleagues to influence and understand their local labour market better. So where we have issues of demand for jobs, we are working with combined authorities, mayors, local authorities and others to try to influence that supply of jobs and work with employers to find the right opportunities so that we can shape the choice set for our customers in a much better way. That is the kind of continuous improvement that the work coach academy is designed to make. Dave, do you want to talk about how we are building the academy?

David Barrow: Yes. Again, we are testing and learning. We have colleagues involved in that now, shaping the service, going through the work coach academy. Up until now, about 100 colleagues have gone through. They are giving feedback and helping us to understand how to ensure we are getting the best L&D we can support them, how we can help build these communities of practice that the Minister talked about, and how we start building some of the culture change that we want. That is all being developed, and we will iterate that as we go.

I want to quickly draw out an example. We were at the launch of the Wakefield pathfinder last week. I was working with the team in Wakefield, and we held a launch event with the mayoral strategic authority, colleagues from the local authority and careers colleagues. We set up a careers fair focusing on the creative sector, a different sector for Wakefield, to try to bring out different roles and opportunities. Through advertising and communicating with the community, that partnership approach, we got over 800 people visiting that launch event, looking at different careers, considering new opportunities and talking to employers. The partnership approach, the culture and looking at different communities and opportunities are already starting to come through, and we are very proud of the team in Wakefield for the work they did.

Q129 **David Pinto-Duschinsky:** That sounds fantastic. Minister, you talked very powerfully about how so much of the power of the system lies in the knowledge of the frontline and people who spent a long time there, so recruitment and in particular retention are really important. Can you talk a bit about what the Department is doing to try to improve the attractiveness of the role and strengthen retention so that we keep those good work coaches and harness their knowledge?

Alison McGovern: Again, forgive me: I have to say this is something that we will probably have more to say about after the spending review. But the people part of our change is very important. We want to see progression and, as I say, people being able to actually use their skills. I am not confident that we are in that situation yet; that is what the change is all about.

Thinking about attracting people to DWP, I know that Committee members have visited a number of jobcentres and will have found, as I have, that quite a number of frontline work coaches wanted to do the job because they had sat the other side of the desk first, and that is a really



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good thing. One of the skills that our work coaches need is to understand what some people in the country are going through. Being able to attract people because they have experienced the service and they want to be a part of it, helping other people, is a very good thing. Dave, do you want to come in and talk about recruitment?

David Barrow: Yes. We are doing a lot to shape our recruitment. I am really proud of the fact that I have been in the Department for quite a number of years now. I started as a work coach and worked as a work coach for a number of years. I want to publicly thank my colleagues I work with who do a fantastic service.

One of the things I have been working on with our people and capability teams is how we recruit people, whether we can make sure that we are targeting the diverse communities in which we serve, that we ensure that our recruitment approach targets the skill sets that we want so that we can retain people in the job and that they come in and enjoy the job when they come in. All those things are in train now and we are testing new approaches in that space as well. A lot is happening. One of the great things about the Department is that much of our turnover is of people moving on to other roles, either in DWP or elsewhere, so we do get that knowledge from the work coaches going into the wider service that we provide.

Chair: Thank you. Before we move on, can I ask both questioners and responders to be more succinct? Otherwise, we will not get through everything.

Q130 **John Milne:** In evidence to the Public Accounts Committee, the DWP Permanent Secretary said that reducing the initial work coach appointment from 50 minutes to 30 minutes does not seem to have made a lot of difference, which is concerning. Do you think that suggests they are asking the wrong questions? Is it too formulaic? What do you think the reason might be?

Alison McGovern: I will bring Ed and Dave to talk about the specifics of that change, but on the question of time, it is important that we are led by the evidence and there is evidence that sits behind that change. The alterations we made are part of the response to the situation of having policies that were overcommitted compared with our resources. We had to take those decisions to make sure that we were able to fulfil the task in front of us while getting on with the bigger change. Ed, do you want to just talk through the evidence base on that particular case?

Ed Lidington: That change was part of the local flexibility framework that was in place and we saw no measurable impact from reducing the time of initial appointments to 30 minutes. We always look at the operating model that we have and think about the evidence for it. In the light of that, it makes sense to reduce the time to 30 minutes to free up time, to make sure that work coaches can focus on other bits of their role. We are always looking at making those little changes where we can so that people have more time.

Q131 **John Milne:** What changes can we anticipate seeing to the regular 10-



minute appointments?

Alison McGovern: We are trialling a number of different approaches and I will bring Dave in to talk about that, including work coaches having more time to work with specific groups. I anticipate that we will have more to say about that to the Committee and to Parliament as we roll forward in developing the new service. Dave, do you want to talk about the experience with additional work coach time?

David Barrow: Where we have given the opportunity for work coaches to spend more time, we can start to see that it does have a positive impact on customers. That is something we are looking to try to build into some of our new work and new opportunities. Within the pathfinder, we are very much looking to see how we can free up work coach time. Are there customers finding their journey back to work easier and could perhaps do their work search with us in different ways, so that we can deliver more time with other customers and spend that additional work coach time with others, as the Minister says.

Alison McGovern: One thing that I found slightly frustrating before becoming a Minister, which I hope we will be able to put right, is making sure that all of our evidence and so on is made publicly available. The Department for Work and Pensions is a very large Department that has a lot of interactions with citizens and the economy as a whole, and it is very important that we publish information as we go. That is how we want to approach the development of the new jobs and careers service: keep Parliament regularly updated and, as we get evidence that is good enough in quality to be published, publish it. Then people can discuss and debate it properly.

Q132 **John Milne:** Thank you very much; I welcome that. The DWP is running a trial—I think you referred to it earlier—in which work coaches choose the communication channels for appointments. Just to play devil's advocate, do you think that giving coaches that flexibility could also lead to a danger of a lack of consistency in service delivery across the country?

Alison McGovern: Thank you for that question; it is really important. We need autonomy for our frontline colleagues and to make sure that they can respond to the person in front of them and not be micromanaged. However, inconsistency might arise as an issue and I think about that challenge a lot. The way to manage, as we are doing, is to research and use our evidence base to inform our practice, and to work with our frontline colleagues on what works most effectively.

Another very important aspect is accountability and the results, and I set out earlier the metrics that we are looking for and the progress that we want to see. What we want is clarity about the problems we have and whether or not they are being addressed, and then the ability of our frontline colleagues to get on with it without being micromanaged. I think that is the best way to manage that autonomy versus consistency challenge. The NAO report was quite helpful in illuminating the disparities in some of our local labour markets, and I hope we can continue in that vein with that transparency about what is happening. That is the way to



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manage the inconsistency. Is there anything else that you want to add on that?

Ed Lidington: No, I think you have covered it.

Q133 **Frank McNally:** Good morning and thank you very much for joining us today. There has been a fair amount of talk this morning about advances in technology and the role that technology will play. That is very much to be welcomed but, of course, it presents a balancing act as well, as I am sure you will appreciate. Some concerns have been raised about the role of digitisation and ensuring that there is no dilution of the quality of bespoke support that claimants will require. Can I ask you for a bit more information on this? In particular, how can we ensure that job coaches are freed up to deliver that quality in-person support, as opposed to seeing such an expansion in the digital provision that perhaps makes some of that support appear to claimants as impersonal and distant? How do you tailor and balance that?

Alison McGovern: Thank you, Mr McNally. That is an important question, because the idea behind jobcentre in your pocket is not to somehow weaken the quality of service, but rather to improve it. We do not want to do the same thing online.

I am very conscious of feedback I have had from work coaches about the way that they communicate with customers and how good use of technology can help widen people's choice sets. People might be looking for a care role, but they might not know how to get into a job with the NHS, which might offer them more progression. Not that social care roles do not offer progression—good ones do—but we are trying to think about how to build jobcentre in your pocket so that it offers people a service that is personalised and specific to them, opens up their choices and informs them about where their prospects might be best improved. We want to increase the propensity of people to be in a good job, so we need a better quality of service online than we have at the moment.

I will say two more things in response to your question. I hear a lot from colleagues that some people, when they come to the jobcentre to meet their work coach, may lack experience and confidence using technology, and that is something that our work coaches help with day in and day out. I want to facilitate more of that. We have been talking to organisations outside the Department about helping with that. When somebody goes to see their work coach, it might be the first moment when somebody says to them, "Would you like to try doing a video call? Do you feel confident using your emails?" A lot of recruitment is online these days and often our work coaches are talking people through that.

This is evidence by anecdote, so forgive me, but a work coach in Yorkshire told me that a young person had come in and said, "Can you talk me through these jobs online? Which of them are real jobs?" People worry about what is happening in the digital world and our work coaches are dealing with that reality day in and day out. I know there is a lot of possibility there to help. I think I am right in saying we still have 12 million people in the UK with poor digital skills. We can be the Department that can help to make improvements there.



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Finally, of course, we do not want to exclude anybody. That is the whole point of trying to improve our online customer service so that the person-to-person time can be used where it can massively make a difference. As I was saying in response to Ms Hack's question, if we want to work with people who are further away from the labour market, our focus is not just on improving things online. That person-to-person connection is what will really make the difference and I am very conscious of that.

- Q134 **Frank McNally:** I welcome that answer, Minister. Ultimately, the jobcentre in your pocket is an exciting prospect as well. We should be excited about it, but we need to make sure that the customers are coming with us on that journey to 2028. So yes, it is important that the work coaches have those discussions, but as we shape this over the course of the next few years, we need to ensure that our customers are at the heart of shaping what our support looks like. Can you give us a guarantee that that is ongoing?

Alison McGovern: Absolutely. The Chancellor of the Duchy of Lancaster through the Cabinet Office has set out test and learn principles, and that is exactly the way that we are shaping the change in the Wakefield pathfinder, to listen to our customers, change quickly, learn about that change and move forward on that basis. It is a very practical way of changing that means that the initial feedback of customers coming into jobcentres is influencing what we are doing. Do you want to add to that, Dave?

David Barrow: I think you covered it: it is that test and learn approach going on in Wakefield.

- Q135 **Johanna Baxter:** I appreciate the answer that you gave about getting the balance right. I am reminded of a story that my local jobcentre shared with me. We have regular meetings with them, which is very welcome. They have a scheme called "Take a job to work day" so the work coaches are all asked to bring a job to work. One work coach knew of a small business that was looking for an employee to do quite a technical role. That person brought that job to work, and by sharing it with the team they were able to match that small business, which was not actually using the jobcentre, with a Ukrainian constituent who was very technically expert in this particular role. The employer was willing to use online digital translation services and matched them up.

The technology in terms of the jobcentre in your pocket would not replicate that relationship, which is so valuable. How do you share some of that good practice with employers that have not been using the jobcentre, and customers who are potentially further away from getting a job, and bring those together?

Alison McGovern: Thank you; that is a good example, Ms Baxter, and I am glad that you are meeting regularly with colleagues. That is a good thing and I know that lots of MPs are proud of their local jobcentres as well.

Changing the way that we work with employers has been a big part of the change process. I am sure the Committee is aware of all of the



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statistics that we found, with only one in six employers recruiting with jobcentres at all. That will in no way give us the range of jobs that we need and the example that you give is a perfect example of that. My experience before being a Minister, and in the early months, has been a level of frustration from work coach colleagues about the range of jobs. We have set about trying to change that, both at a UK level and also at a local, regional and national level.

At the UK level it is important that we change the way we related to employers, and the new Government changed the team that was doing that and came up with a new strategy to engage with large employers, which we have been doing to think about those big strategic employers—coming back to the industrial strategy—and how we can make sure that we understand what they need, we understand their recruitment processes, and that they know what we as DWP can offer. To give one example, in retail we want to work with retailers where they have new store openings and we are doing that successfully.

At the regional and national level, when I think of my own neck of the woods in Merseyside, our mayor, Steve Rotheram, has got significant investment plans. He has got the plans that he has developed to grow our economy and it is important that DWP is a strong part of that, and that we are able to communicate information to mayors as they are formulating their economic plans so that they understand the potential positive consequences for us of what they are doing. I was also with Welsh Government colleagues in south Wales last week having similar conversations, given the specifics of the economy in south Wales.

Then at the local level we have employment advisers—I will bring in Dave in a minute to talk about the practicalities of it—in jobcentres who can build good local relationships. The most important thing is, whether it is national or local, that businesses have one point of contact, that we offer them a good quality of service, we understand what they are looking for and we help them build a pathway into their business.

To come back to the jobcentres on wheels that I was talking about, one of the things that we have learned is that, particularly in rural areas, going to where small businesses are can have a big positive effect for businesses too. Dave do you want to come in?

David Barrow: Yes. We have about 1,600 employer advisers who work up and down in the jobcentres to support employers, to support our teams. Those colleagues work day in and day out to bring in and work with local employers in their communities. We have established a national team to make sure we can deal with large employers as well, and we are relaunching our employer commitment to make sure we can have a firm offer to employers both at the local level, absolutely at the heart of all our communities, and at a national level. That employer commitment is very much about making sure that employers understand we can offer advice on recruitment, we can sift candidates, we can host interviews in jobcentres or on employer locations, and obviously that we can support candidates who are applying for the jobs through learning, training, work experience and work trials as well.



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We are trying to crystalise the offer so that we can help and ensure that our colleagues are out there supporting that. Over summer we will be doing a huge amount more with our SMEs through those 1,600 colleagues.

Chair: Thank you. We will take a short break and return in five minutes.

Sitting suspended.

On resuming—

Chair: We resume our evidence session with the Minister on reforming jobcentres.

Q136 **Gill German:** A warm welcome, Minister; it is great to have you with us today. I want to talk a little bit more about those further away from the labour market. We have touched on it already. In order to reach the 80% ambition of the Government, work needs to be done to support those people who can be in a place quite far away. You have talked about how we need to work with local partners to achieve this; could you tell us a bit more about what you think that might look like and who those potential partners might be?

Alison McGovern: My diagnosis of the problem that we have with economic inactivity is obviously to do with the health issues that we have in the country, but also that we have concentrations of inactivity in areas that we were discussing before where we have significant low demand. Our relationship with employers and across Government to get the investment into those places is important.

If you invest in somewhere and create the demand for employment in a place where demand has been low, if you do not recognise that unemployment has a scarring effect and that people will not be able to get a job, even if demand rises, then we will not solve the problem. What we need to do is make sure that we build paths into jobs that are there. We have some ability to do that between various schemes and different things that we have, but the voluntary and community sector has a huge amount of expertise and they also often have trusted relationships with people that perhaps the Department for Work and Pensions might not have, to be blunt.

In our trailblazers on economic inactivity we are working with local places—with councils, with combined authorities and others—and also closely with the voluntary and community sector to think about groups of people. For example, if you have a mental health condition, we want to be working in partnership with organisations that support people in recovery and building their confidence as they move towards the labour market. It does need to be thought of as a pathway; it is not a binary thing being in or out of work. We are working with local government and the voluntary and community sector to move people along that pathway towards work, because every step matters.

Q137 **Gill German:** I am proud to have one of those trailblazers that you mentioned operating in my constituency, and I totally agree that it needs



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to be a local approach to drill down into what people need in that area, so I am happy to hear that. At the other end of the journey, if we have helped somebody along the way so they feel able to enter the labour market, what kind of support can we offer to people on the cusp of employment, and when they have just entered, to make sure that employment is sustainable and that they do not fall off the end once that job is for real, and perhaps the layer of support that has been around would not be there anymore?

Alison McGovern: Thank you; it is an important point. Some of the evidence of employability support shows that for those who have experienced a long period outside the labour market, that period after they get into work is important. We have a programme that we have devolved, Connect to Work, which offers that personalised support pre and post employment. What you do not want is somebody to have a negative experience and not have anybody to talk to about it. Connect to Work offers that support afterwards, and that is also something that we are working on with colleagues in inactivity trailblazers, not just in your wonderful part of the world in Denbighshire but also in South Yorkshire, for example, where we are working with employers and health partners to make sure that work is sustainable.

Q138 **Mr Peter Bedford:** Welcome, Minister. Turning to employers, we have heard and read evidence that employers are reluctant to use jobcentres for recruitment. I have certainly visited a number of jobcentres in Leicestershire and had similar conversations. Does the Department understand why that is? What is it doing about that?

Alison McGovern: Thank you; that is an important question. I am sure you will have heard from what we have said this morning that the view of myself and of the Secretary of State is that as a Department we have not served employers in the way that we can and in the way that we should. We will not see growth, particularly in those areas with high unemployment, without serving businesses better in this country.

There is some evidence that under the previous Administration the policy framework was not designed in a way that supported employers, and I am determined to put that right. Our principles are about making it easy for employers, giving them a single point of contact and making sure that we understand, as I have said, their recruitment processes well so that we can talk to them about tailoring their approach, and we can help them to recruit, take some of the hassle away for employers and make our processes work for them.

Q139 **Mr Peter Bedford:** Having spoken to employers in my constituency, I wonder whether there is a cultural issue at the DWP around a lack of understanding of how business works and operates. The civil service—the state sector—is completely different to a lot of small and medium-sized businesses that would like to recruit. That could be a problem in terms of engaging with them and understanding their needs.

Alison McGovern: That is probably right, and that is why we have come at the problem from two ends. The large businesses in the UK have one team at the UK level who can engage with both big businesses and also



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groups of big businesses in the same sector. For example, thinking about our net zero mission, Secretary of State Liz Kendall and Secretary of State Ed Miliband have worked closely to bring together large businesses in the energy sector, to understand the strategic changes we need to make so that we can help people to move into work. In areas like Grimsby and Hull—places that have had problems with unemployment—that transition offers opportunity, but only if we can bring in people who are furthest away from the labour market. That is how we understand it strategically.

On the ground for SMEs it is important that jobcentre colleagues have the time to get underneath the skin of their local businesses. I saw this working well in York, where the team had done a lot of work to bring together York businesses so that they could help to recruit and understand. York is a place that has quite a significant visitor economy, so it is about understanding how businesses in that place recruit and helping them to find an appropriate group of people to recruit with.

We have a scheme, SWAP—the sector-based work academy programme—that can be tailored specifically to businesses where they are. What that programme does is offer our customers around four to six weeks of on-the-job training and then a guaranteed interview. A small business knows that if they are working with us on a SWAP programme, the person that they interview is coming with quite a level of awareness of their business, and an awareness of the sector, and by going to that course they have already shown that they are committed and that they want to be doing that job. The business has got a level of assurance that that person has the relevant skills. We find that scheme to be very successful. That is the way I would like to work with small business in the future.

Sorry, Chair, I know you told me to be nipper but I am running roughshod already. I want to give one final example, which is Adele, who manages Chester jobcentre—

Chair: Not the famous Adele?

Alison McGovern: I would say our Adele is better than the Adele, to be honest. Chester jobcentre is right next to Chester station, and Adele went so far as to try to get Transport for Wales in to recruit, based in the jobcentre. It gave them more space, it was more flexible, and they got underneath the needs of work in what is a growing sector in public transport.

I know we can do it; the challenge for us as a Department is to systematise it so that our colleagues have enough time and have the tools in the box to do it.

Q140 **Danny Kruger:** Hi there. I have three quick questions; one rather general one and then two more specific. First, you have said how much you enjoy being in jobcentres and I know what you mean—they are often happy places with good people. I do think there is a general challenge about what they are for and I think your reforms are trying to answer that question. Thanks to Steve for expressing something I have always



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struggled with, which is why on earth we call people who use jobcentres customers when that is the last thing they are in terms of their actual relationship with the place. It was probably some Tory Government that introduced the word “customer”, using fake market language to pretend that the public sector is not what it is.

But I think you are committing the classic Labour mistake. You talk about a universal public employment service with a central academy for training staff, with quite a lot of technology involved. It sounds like something Harold Wilson would have thought of—this new great national public service centralising everything. What are jobcentres for? You say you do not want them to be about benefit administration and that will be in the background. You are certainly not about sanctioning people. You want them to be about recruitment, matching people to jobs, and support for people who are far from the labour market. My general question to you is why do you think the state is the best agency to perform recruitment and personal support?

Alison McGovern: Thank you for that question. Harold Wilson said unemployment above all else made him political. For those of us who grew up experiencing unemployment and a labour market that did not work, and people left the place where you born and grew up because of it, I think unemployment makes you political. I take the Harold Wilson comparison as a massive compliment.

Chair: So you should.

Alison McGovern: However, you make an important point. The UK has one of the most well-developed recruitment sectors of certainly European countries; why would the state do this thing? The answer is in some of the questions the Committee have asked about people who are furthest from the labour market. When you have a place that has experienced some economic shock, there has been a downturn, people leave and there are fewer and fewer jobs every year, at some point that will turn around, because at some point you get the advantage of disadvantage, if you like. You have the space for investment, you do get regeneration and growth, but what happens to the people in that place is that their prospects have been damaged. This is the scarring effect of unemployment—a sort of hysteresis that economists talk about within the labour market. Even when investment comes, those people still get left out.

The point of the Department for Work and Pensions in its jobcentre role is to build a path back into the economy for those people. That is not something that the private sector—it may do it, there are a lot of good businesses out there who care deeply about people getting left out in our economy, but their job is make a profit, and fair enough. Our job is to make sure that a growing economy helps absolutely everybody in this country, and that is a harder job than private sector recruiters have, but it is the only way to make sure that economic growth is truly inclusive.

Q141 **Danny Kruger:** Thank you; that is very well put. I share that vision. My challenge is about why state employees are the best people to do that,



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but you are absolutely right, and particularly about the importance of supporting people in a place. My question though is specifically on the recruitment side, and I will come on to the support question. You mentioned Transport for Wales and Chester, but what evidence is there of private sector employers who want the jobcentre to be their recruiter? You say it should be the recruiter of choice for employers; specifically what businesses have said, "We want the jobcentre to be our recruiter of choice"?

Alison McGovern: We have lots of examples of where our new employer team have done great work and I can run through them anecdotally. The Secretary of State did a big event with B&M, for example. As I was saying before, in the retail sector, where we have new store openings we are seeing quite a lot of enthusiasm for the changes we are making and employers do want to be a part of it. I was with EDF Renewables only last week talking to them about what is an incredibly growing sector and where they think there are opportunities for our customers. As I say, they share that vision for an inclusive economy.

But I think you are asking a slightly different question, which is do we think employers want to do this? I can only say that from the feedback we have had that yes, they do. It is partly for philosophical reasons, because a lot of people who work in business want to operate in a way that builds our economy, not perpetuate some of the worst aspects of the UK economy. It is also for practical reasons: over the past few years we had this particular spike in vacancies post-covid, and it has been very difficult to find staff. If you can recruit people and give them a real chance, you get incredibly loyal members of staff. Recruiting with us offers employers an opportunity to shape who they are bringing into their business. So also for practical and slightly more capitalist reasons they are quite interested in recruiting.

Q142 **Danny Kruger:** Certainly, I take that, and thank you. My sense, though, is what employers want is candidates with the right skills—which is not necessarily central to your Department—and they want the cost of employment to be lower. Job coaches I have been speaking to all privately raise the challenge of the cost of employment, particularly with the national insurer rise. For me, that is what the Government could best do for employers, rather than act as the primary job broker service.

Lastly, on the support that is needed for people far from the labour market, I have a practical question. By the way, I agree about how terrible the record has been historically of jobcentres supporting people into work, and thank you for what you said about data. How confident are you of the effectiveness of work coaches themselves, or in fact contractors, whether VCS or private companies that do work programme support for jobseekers? How effective are they and how good is the Department at ascertaining the effectiveness of different programmes? What is being done to ensure that in future we will be able to say that this programme is working and that one is not?

Alison McGovern: Under the previous Administration, an employment data lab was built within the Department for Work and Pensions. It has



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had fairly minimal use and I think that is somewhere we could make big progress. Allowing employability programmes and organisations to test their work against the Government's data is a very important principle. It is one that I want to see developed.

We have not published nearly enough evidence of the efficacy of our work. Historically there is a lot; active labour market policies have been in existence since the new deal of the 1930s. We have done a lot ever since then, and we had the new deal of the 1990s and so on. There is a lot of historic evidence out there, but what we are trying to do in the Department is actively update that in terms of our evidence base. The Secretary of State and I feel very strongly that we want to do that—so does Minister Timms, of course, who was Chair of this Committee previously—in a way that puts that information into the public domain so that others can scrutinise it and we all work on the basis of the same data.

Chair: Thank you. We will have to speed up.

Q143 David Pinto-Duschinsky: Minister, one of the things you touched on earlier was the merger of Jobcentre Plus and the National Careers Service. What difference do you think that will make?

Alison McGovern: That is a huge part of the culture changes that Committee members have asked for, both in terms of how we relate to members of the public who we help, and also how we focus on what business needs. The National Careers Service teams have a lot of experience. They work very closely with us already and we are keen to develop that relationship as we build the service. They are a big part of the pathfinder and the process beyond the pathfinder to embed that.

Q144 David Pinto-Duschinsky: Clearly one of the exciting opportunities this opens up is to do more on advancement support and supporting people's journey through the labour market, as well as their entry into it. How will the new service support advancement and advancement considerations being factored in to the design of the new service?

Alison McGovern: There was a little bit of pre-existing work on in-work progression, but not nearly enough. My objective is to identify more chances and opportunities to be in employment that will help people to progress and to have a system that is more discerning about those opportunities. The way that we doing that is through building jobcentre in your pocket, and through our work with employers and local partners to understand what the plans are for the economy, and working out where the best chances and opportunities are in that. We will have more to say about it once we are at the other side of the spending review, because some of that is predicated on the industrial strategy and the stuff that sits alongside it. Do you want to say anything more, Dave, about in-work progression?

David Barrow: It is something that will come through test and learn that we will be working on in Wakefield, and hopefully we will learn things that we can come back and update on.



Q145 David Pinto-Duschinsky: Fantastic. This is my final question, as I am conscious of the Chair's admonition on time. Clearly, as you mentioned, there is a task of bringing together cultures in services that work closely together but have always been separate. How are you thinking about the challenge of bringing those cultures together? What kind of KPIs will the new merged organisation have?

Alison McGovern: I have mentioned the metrics that we want to move towards, and we talked previously about the tension between autonomy and consistency. What we want to do is to see that we are making progress. What I do not want to do is micromanage, because targets can have an inadvertent downside, as the Committee is aware.

Dave, do you want to say something about how we handle management? We are obviously very bothered about performance management and making sure that this system is working. We do not want to have targets that have poor consequences; we have set out the ambition and we have the things that we are measuring. Dave, do you want to say how we manage that in terms of the system?

David Barrow: Yes. The management of the metrics that we agree happens at a national level, a regional level and a local level. Our local colleagues look at all the data that they get so they can see what is happening in their local site and respond as appropriate. They can very much take an empowered way of learning and leading on their site to bring that through and lead out those issues that we know will deliver good performance. As we move forward we will look at what we learn in the pathfinders and we will build our new metrics around that.

David Pinto-Duschinsky: Thank you so much.

Q146 Frank McNally: Can I touch on the important relationship with other community and sectoral stakeholders? Certainly through a devolved lens, in the last year we have seen an improvement in the relationship between the Department of Work and Pensions, Jobcentre Plus and Social Security Scotland, which is great to see. As a Committee we visited Manchester recently, and there were some great examples of shared practice between jobcentres and the combined authority, and that was welcome. How do you envisage that relationship with critical stakeholders moving forward? Do you see a one-stop shop, for example, within Jobcentre Plus—almost a central hub where people are accessing a variety of services? How do you see that moving forward?

Alison McGovern: I will come to Greater Manchester in a second. We already have a number of jobcentres that are co-located, and that can often work well. That should be done on a case-by-case basis. It is about what works for that place. To give one example, in Blackpool our jobcentre is right in the middle of the town, with the council in the same building. We also have a youth hub in Blackpool that is nearby, and there are strong relationships between the three. That is absolutely vital because Blackpool is probably top of my worry list in terms of the outcomes we are getting there. That co-location, in the place it is, works well.



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I have talked about buses; we need to do the right thing in the right place. In rural areas it is obviously much more challenging for us and we have to think creatively about what we are going to do. Where co-location works it can be good; it is not a silver bullet and it is not the right thing for everywhere.

On Greater Manchester, throughout this process it is fair to say I have been in regular contact with Mayor Andy Burnham, and I was pleased to attend a big conference for his Live Well movement. I want the Department for Work and Pensions everywhere in the United Kingdom to be part of the public sector working together with the private sector and the voluntary and community sector. In Greater Manchester they have a vision for that and I want us to be a part of it. It is about collaboration. There are certain things that we would devolve. The social security system as a whole needs the heft of the United Kingdom Treasury, but when it comes to our practice on the ground, we want to be the best possible collaborator.

Q147 Frank McNally: Looking at some of the barriers that could arise from trying to do more in terms of that integrated service, do you see culture being a barrier? I am conscious around the relationships with key stakeholders has perhaps not been as strong as we would like over the last few years. Do you think there is a job to continue to improve the culture, and to say, "We are changing jobcentres; we want to make them more welcoming for the community and sectoral stakeholders"? Do you think there is a financial challenge around some of those stakeholders being more integrated with the workings of the Department?

Alison McGovern: I would say that probably data is a barrier, and we need to make sure that we have good ways of sharing data in an appropriate way to help drive that. Obviously I am not an idiot: I am not unaware of the issues of funding for the voluntary and community sector. That has been a big problem over a long period, and we work within that environment. I am very conscious of it.

I do not think culture on the ground is the biggest problem we have, and the reason why I say that is because one of the things I have discovered since becoming a Minister is that many of our jobcentre managers have just got on with the job. That does mean working with the people around you. I remember being in Glasgow some time ago on a mission to find out more about what they had done about child poverty, and we had a huge number of voluntary and community sector partners sat around the table with the council, the DWP, and folks from the NHS. They had built a way of working together and it was very impressive. I think that is happening in lots of places.

The big question for me is how do we help to facilitate that? What is the infrastructure that we need to build at the UK level that will facilitate that so that it can happen more effectively in the future and deal with some of the barriers that you mentioned? Then how do we learn from it and systematise those learnings? That is exactly what we are trying to work out through the pathfinder.

Q148 Amanda Hack: I have a brief question that follows on directly from what



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Frank was talking about. Lots of witnesses indicated that jobcentre buildings are often not the most welcoming. I cannot say that for my jobcentre in Coalville; it is a lovely space. How much do you think that is about the individuals who attend jobcentres and how they feel about the building? What about changing spaces? How people feel about their local jobcentre is as important as the change of the culture that we want to embark on.

Alison McGovern: Thank you; that is an important question. The new service that we are building is about the quality of the service. In response to Mr McNally I said it needs to be right for that location. There is no one way of doing it, co-locating or otherwise, that is the right thing to do.

I have thought a lot about the quality of the conversation that happens between a work coach and the person in front of them and what we can do to make that go well. But then when you go to some of our jobcentre buildings you are struck by the quality of them, and that is a problem. Dave, do you want to say something overall about the estate? We have some great examples and we have our innovation hubs where we have moved forward in the type of buildings that we have. You mentioned Coalville; I would also say that the work coaches who work at Duke Street in Liverpool tell me it is great. Then we have poor examples too. Do you want to say about our approach to that, Dave?

David Barrow: Our approach is very much to focus on key innovation hubs, where we are looking at what makes the best environment, what makes an environment more accessible, ensuring that it provides a calm environment for citizens and colleagues alike. That is key. We will look at the key elements there, and at what our citizens feed back to us about their experience, and look to see where that can be built in moving forward so that we have a strategic view of the direction we want to go.

Alison McGovern: The right location in the right place is important. It will be different everywhere.

Q149 **Damien Egan:** I welcome and am grateful for the appreciation of and focus on work coaches, in particular, and around jobcentres. When I became an MP and did visits to my local jobcentre, I got the sense of how they had not been heard and low morale is. I am looking forward to going back; hopefully that is filtering through.

I want to keep the focus on barriers. Something that we are seeing more of in jobcentres is people coming in who cannot speak English. In my jobcentre the work coaches were estimating it is about one in 10. When we went to Manchester, I asked a couple of the work coaches there and they said that about half of people are using translation services. I delved in a bit and said, "Of those people using the translation services, how many do you think are actively trying to learn English?" They said probably about a third. The big problem is that there is not enough English lessons. They were reporting they would get one or two mornings a week and then you have people for years stuck on translation services.

Sometimes the debate is around the cost of translation services, but I am



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interested in how we help people to get into work, so I would appreciate your views—this might be one more for the advisers—about how we focus. A lot of what we are talking about is predicated on people knowing and having English; what will we do to get English skills up and to help people to learn English?

Alison McGovern: Thank you for that. It is an important area and one where work coaches on the ground, when that is an issue for them, have often come up with innovations of their own—for example, bringing groups of people together to help them to practice and gain confidence in English in the jobcentre if there are constraints around ESOL classes.

In terms of the future, we have the spending review to come and some of that lies with DFE. In the interests of time I might say that this is an area we are thinking about it. On the journey towards 80%, and thinking about the issues that affect those places that are furthest behind, this is definitely one that we are thinking about and will want to develop more policy on in the future.

Q150 **Damien Egan:** This is not one to comment on now, but work coaches were reporting to us, on actively learning English, that they feel they did not have the tools at their disposal—they were technically there but not being used—around trying to make sure that people do.

My next question is about the role of local government. When I was involved in local government there were very good examples of job and work programmes. How do you see the role of mayors, regional authorities and devolved Governments in implementing these changes?

Alison McGovern: I think they are important. I was involved in the creation of the Liverpool City Region Combined Authority. The reason for that is because we do not have one labour market in the UK. We have identified 14 different types of labour market. The big shocks that have happened through the years to the United Kingdom's economy have played out very differently depending on the city that you are in or close to. Mayors are extremely important, so is local government and so are the devolved Governments too. We have devolved Connect to Work already and we want to work in that vein to devolve more where we can. I said before there that are certain things about social security that you would never devolve because the UK Treasury is central to how they operate. Our staff are the backbone of our service and it is important to them to be part of a national organisation too.

Beyond that I want to see a service that is much more closely aligned to the objectives of the place where it is. I mentioned the industrial strategy before; that will shape differently the places that have perhaps been left behind in this economy. We are an absolutely central part to making sure that those local strategies are a success. We are like the people pillar of any place's economic strategy. They will have a capital investment strategy, they will have logistics, a transport strategy, and we are the bit that will make sure that the people in that place are part of that growth.

Q151 **Damien Egan:** The right approach is so important. It will need to be mindful of variation in performance. As with anything, whether it is local



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government or when things are devolved—we see this currently where programmes have been devolved—you get a difference in performance, so it is about taking on and looking carefully at those places that are working well and the programmes that do have success.

Alison McGovern: That is right. It comes back to this question of autonomy and not micromanaging, versus consistency. I think we can develop ways to handle that. I have met with the LGA—and will continuously do so through this process—who are very good at understanding how you manage performance, as you mentioned, and we have ways of doing it. I am sure the National Audit Office as well will be considering that, as they have done in their recent report. I welcome that because we want transparency over outcome.

I do not want any young person in this country growing up in a place where opportunity is ebbing away from them, the economy is failing to give them good chances and opportunities, and they feel like nobody in this building knows about it or cares. We want the opposite of that. We want to know where our areas are where we are not moving forward, making sure we understand what it is that is holding that place and those people back, and knowing that we have the right strategy in place across Departments to deal with it.

Q152 **Chair:** We have a few minutes left and will try to squeeze in three questions, but please do not feel that you have to give full answers. We will follow up in writing, if that is okay.

One of the measures in the Pathways to Work Green Paper is the extra £1 billion in employment support that was announced in March, but that will not be available until 2029-30. The package of support intended to go alongside is not fully developed. You eloquently described how those areas that have unemployment scarring tend to be areas with an industrial heritage, and ill health and disability might reflect that. How will we make sure that the people who are affected by that unemployment scarring—with poorer health, and additional disability—will be supported? Will there, for example, be a phasing of that money that would see them benefit the most? Finally, given that it does not come in until three years after the cuts in support, are you concerned about the consequences?

Alison McGovern: First of all, on the timing, we published the Get Britain Working White Paper in November so that we could crack on with the changes, because from all that I have heard from the Committee this morning I think there was a high level of awareness that the system was not doing what it needed to do. The changes have already started; all that we have described is happening now. We have also commissioned Connect to Work, which is the intensive programme we were discussing earlier that helps disabled people and people with health conditions to move into work. We have trailblazers, WorkWell and so on that we have discussed that are happening now.

When I speak to our disability employment advisers in jobcentres, they are anxious to support people and to build a better system to help people. Given recent history, I am extremely concerned about the poverty that people have experienced. We will have more to say in the



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spending review today and also in the child poverty strategy, which is coming as soon as possible. We will have more to say but I do know—because I have spoken to them and I believe them—that when it comes to supporting disabled people our jobcentre staff are capable of helping people and supporting them in a way that is right for them. We can build a service that will help people.

Q153 Steve Darling: I come from a left-behind coastal community that would also like to benefit from support in to work, and we also have higher numbers of people with disabilities. If we do not set a target or measure it, it does not count, so what targets will you set around reducing the gap between employment rates for people with disabilities and the general population? How will you drive that? Sir Charlie Mayfield says it will take a decade to make the changes. What prioritisations are you setting to drive that so that people with disabilities can live their best lives by getting into employment?

Alison McGovern: Thank you for that, Mr Darling. Reducing the employment rate gap between disabled and non-disabled people for those aged 18 to 66 is one of our Get Britain Working outcome metrics. It is of the utmost importance. The Mayfield review was obviously independent of Government, so he will bring forward proposals where he thinks we can help employers to support disabled people and those with health conditions to move into work and stay in work. I am looking forward to the results of his work.

I mentioned briefly that I am aware of some of the downside risks of targets that create perverse incentives, but in terms of that overall metric that we are looking for as an outcome of our work, closing the gap is clearly one of them, as published.

Q154 Steve Darling: What milestones are you planning to set on closing the gap?

Alison McGovern: If it is okay I will write to the Committee on that. The journey is under discussion between myself and Minister Timms as the Minister for Disabled People. We are happy to engage with the Committee further on that.

Steve Darling: That is very helpful. Thank you.

Q155 Mr Peter Bedford: I want to plug this report from the House of Commons Library on youth unemployment that was published yesterday. It is a very interesting read with some quite stark statistics: youth unemployment has gone up by 42,000 in the last year and there are an extra 50,000 economically inactive young people over the last year. What is the Department doing about that? Minister, you mentioned earlier conversations with the Department for Business and Trade. I served on the Employment Rights Bill Committee, and one of the arguments that I continually made was about some of the unintended consequences of the legislation for youth unemployment, but clearly I did not win that argument. What more you are doing to work with the relevant Departments to ensure that policies like that will not continue to increase youth unemployment?



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Alison McGovern: Thank you for that question. Inactivity overall is down a bit, which is a good thing, but the situation for young people is a big worry for me at the moment. Whatever one thinks of what happened in covid and lockdown and so on—we had a big debate about it at the time—the next generation took steps to try to protect other people during that period, and as a result they lost the opportunity to socialise and to take their first steps into adulthood in a way that has had consequences for them. I worry about that greatly.

The Government as a whole is bringing forward a national youth strategy and we in DWP are a very active part of that. At risk of annoying myself, we will have more to say about it quite soon, because we have our inactivity trailblazers running, and also eight areas that are working to support young people in a better way. I am anxious to get the results of that work so that we can build our policy from there. It is fair to say that you do not pay NICs for people below the age of 22, so there are things that employers could benefit from in employing young people.

Q156 **Mr Peter Bedford:** Without going too much into the policy of the Employment Rights Bill—I know a little bit about it as I was on the Bill Committee—I was concerned about some of the impacts of that Bill on youth unemployment. I think the official definition of young people is up to 24. In terms of day one rights, for example, if I am an employer and I am employing someone and they have very limited or little employment history—that is, a young person—I am taking on an additional risk by employing a younger person over someone later in their career with a longer employment history. My concern is that those types of policies will harm youth employment. What conversations are going on between the DWP and the Department for Business and Trade to ensure that does not happen?

Alison McGovern: Lack of experience is a big problem for young people. We have mentoring circles and we are working on an improved work experience programme within jobcentres to try to help with that. We have had a big public debate about people's rights at work and the balance of that, and the Labour party as part of the election put forward its proposals on people's employment rights and the country voted for it. It is important that we get on and make those changes.

The points you make are not unreasonable. I consider the need to do more to help young people to get a start all the time, but we set out to improve the quality of people's employment by improving their rights at work, and I will be keeping a close eye on the impacts of that and making sure that young people do get a chance and an opportunity of a career.

Chair: Thank you. That concludes our questions, you will be delighted to know. Thank you so much to you all for coming along today, and particularly you, Minister McGovern.