

# Work and Pensions Committee

## Oral evidence: Employment Opportunities for Young People, HC 586

Monday 12 December 2016

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Watch the meeting

Members present: Ms Karen Buck (in the Chair); Heidi Allen; James Cartlidge; Neil Coyle; Richard Graham; Steve McCabe.

In the absence of the Chair, Ms Karen Buck was called to the Chair.

Questions 146 - 210

### Witnesses

Damian Hinds MP, Minister for Employment, Department for Work and Pensions, and Iain Walsh, Director of Labour Market Strategy, Department for Work and Pensions.

Written evidence from witnesses:

- [Department for Work and Pensions](#)

## Examination of witnesses

Damian Hinds MP, Minister for Employment, Department for Work and Pensions, and Iain Walsh, Director of Labour Market Strategy, Department for Work and Pensions.

Q146 **Chair:** Good afternoon, Minister.

**Damian Hinds:** Good afternoon, Chair.

**Chair:** Thank you very much. Welcome back. As you know, you are wrapping up our evidence sessions on employment opportunities for young people. You are very welcome. Frank apologises for his absence in the chair. We are going to kick off straight away with Neil.

Q147 **Neil Coyle:** Youth unemployment remains stubbornly higher than average unemployment. One of the issues that were echoed throughout the Committee's sessions has been that young people feel that Jobcentres and their processes are neither welcoming nor rewarding in outcomes. How does the Department measure satisfaction with Jobcentre Plus services by age?

**Damian Hinds:** Thank you, Mr Coyle. It is true that in many countries youth unemployment is higher than average unemployment across the ages. It is also true that in many ways, for each unit of time, youth unemployment is a more significant, bigger, issue because of the scarring effect that we know can persist for some time through life as a result of having been unemployed at a young age. To the extent that anybody feels that the experience of working with the Jobcentre network is not productive, obviously I take that very seriously and particularly so we have to think about how we make sure things work most effectively for all different groups, including, and perhaps especially, young people. I do think what we do is really quite well tailored to different age groups and people with different sets of barriers to get over.

In answer to the direct question of how we measure satisfaction, we measure satisfaction by age. The study is called the Claimant Service and Experience Survey. It is a telephone survey with a large sample size, about 15,500 people, and that is published in the publication, "DWP Equality Information (Customer Data)", so it is possible to compare different age groups, one with another, and also to look at a single age group over time and see how things have changed. In the 16 to 24 age group, satisfaction between 2014-15 and 2015-16—obviously you can't pay too much attention to a single year's change—improved by 4 percentage points. The 16 to 24 satisfaction was higher than the average satisfaction across all ages.

Q148 **Neil Coyle:** Is it self-selection? How many young people are replying to the survey?



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**Damian Hinds:** We could probably work it out in terms of how many young people there are. The total sample size is 15,500. Because it is a telephone survey, they will be outbound calls so therefore the problems that one can have with self-selection in terms of returning a form or something like that should not operate in the same way. I cannot do the maths in my head of working out the proportion of the adult population aged 16 to 24 and multiplying that proportion by 15,500 but it is a substantial sample of people.

Q149 **Neil Coyle:** If you accept the different barriers, accept that there is a need to focus on this group, given the longer-term potential damage, when can we expect to see better outcomes?

**Damian Hinds:** You can expect to see better outcomes, Mr Coyle, all the time, and if you look back over the last six years, you will have seen better outcomes persistently. I want our youth unemployment to be even lower, I want our overall unemployment to be even lower, but if you compare us to other countries across Europe, our youth unemployment is significantly below the average across the Continent. In terms of the time series comparisons—broadly whatever measure you take, whether it is youth unemployment overall, youth unemployment excluding students, long-term youth unemployment—all of these statistics are down. Over the last year they are well down on what we inherited in May 2010, and each of those is below the level they were at in the previous session.

Q150 **Neil Coyle:** Student Advice and other organisations are also talking about a group of young people who are now no longer engaging with formal centres, especially with Jobcentre Plus, living at home, living with parents, but not engaging. So where do they fit in this brilliant world of falling figures and wonderful satisfaction rates? Where are they in all this?

**Damian Hinds:** It is perfectly reasonable and right to be slightly wary of sub-divisions of categorisations of different people. There is a measure—a catchall measure if you like—which captures all people who are workless and not in full-time education and that proportion is also at a low. It is running at 14.2% in the most recent quarter, compared to close to 19% just before the election of 2010 and compared to close to 17% even just at the height in 2008. It is not a question of trying to pick a particular statistic to make the picture look better than it is. There is a lot more work to do. I am very focused, the teams at the Jobcentres are very focused, the whole organisation is very focused, on youth unemployment and youth opportunities, but it would not be right to suggest that the picture in terms of youth employment has somehow been getting worse. That would not be the case at all. The opposite is true.

Q151 **James Cartlidge:** Good afternoon, Minister. When we heard evidence, one of the most striking points was that the overall impression of the Jobcentre from our witnesses was extremely poor. The key for them was that it was unfriendly and intimidating whereas we heard about a scheme in my county, Suffolk, called MyGo where two very hard to place cases



had successfully found employment; they said they found it much more open, all these positive words. I wonder—and some of them hinted at this—whether this is because Jobcentre Plus is irredeemably associated for obvious reasons with the benefit system, whereas other help that is separate from that seems to be more positive and inspiring to those young people who are hard to get into work.

**Damian Hinds:** Thank you, Mr Cartlidge. I have heard of that, have had a chance to have some representation from some people involved with or having had experience with MyGo, and I would say we are continually open to hearing about other ways that things are done. It is not always necessarily either/or. These days in Jobcentres, we refer people on to a lot of other services. Some of those can be more particularly targeted to younger people just as some of them are targeted to people who have mental health difficulties or whatever it is, and we are constantly open to looking at that. The most fundamental thing is that our core offer has to be as good as it can be and in the figures I was going through with Mr Coyle just now, things have got better in terms of youth unemployment, but there is still more we can do and we are constantly striving to get better.

Q152 **James Cartlidge:** I accept that. The figures are very good, certainly compared to other countries, but the trend is following the national trend, with the gap in between staying broadly similar. The point is that we heard from very hard to place cases, people who are really struggling getting into work, one of whom had quite significant disability—all their phraseology about the Jobcentre was negative, intimidating, and I think this is linked with benefits. It questioned in my mind to what extent we should be looking to separate these two procedures, applying for work and getting benefits, because they seem to be more inspired and enthused about employment when the institution they were dealing with was separate from that.

**Damian Hinds:** It is an interesting and important line of thought. Back in the old days, there was a time when there was broadly separation between the place you would go for a benefit claim and the place you would go to seek work. Under previous Governments it was deemed good to put those together and there was very strong logic for that. The point you make in general, though, is a good one. It is certainly well worth further consideration.

I know MyGo comes under Suffolk County Council. There are some other things that we are engaged with: the Youth Engagement Fund is way of using innovative social finance to look at young people who are in danger of becoming NEET—not in Employment, Education or Training—using early intervention, creative, community-based, localised, human-scale techniques to work with those young people, trying to minimise the chance of that outcome happening. I would not want you to think that we have a view that there is just one system and that is it. There are many ways that the state, if you like, comes into contact with young people and we must try to use all of them.



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**Q153 James Cartlidge:** My final point is that, if you asked those young people about the Jobcentre Plus brand—they are very brand sensitive—I am pretty sure you get negative associations. I know rebranding is a terrible thing in politics because it covers a multitude of superficial sins, but I think it is very important, because to people such as we have been hearing from, that matters and can be the difference in being inspired to be motivated or not. I think there needs to be some recognition in the Department of that sense.

**Damian Hinds:** A brand is many things. In a past life I used to be a brand manager. A brand is many things: it is a name, it is a graphic execution, but fundamentally it is about a product proposition. Whether it is a product or a service it is about what it delivers, what it gives, what it means, to a customer. That is the thing we are constantly focused on.

In terms of the name, Jobcentre Plus does describe quite well what the purpose of the institution is. It is a place that is focused on helping people get work but realising that sometimes it is not quite as simple as matching this person with this job. Sometimes you have to do a lot of work with them to help them get closer to the labour market. There are a lot of barriers sometimes to be overcome, there is training to be done, there is getting people's employability skills up to date and so on. The name is a pretty accurate description. In terms of making sure the offer continues to be relevant and continues to work, absolutely I think we need to do that. The results, the outcomes, that we have seen in the last few years have tended to suggest that things have been working quite well but there is always more we could do and I am very open to that.

**Q154 Chair:** Can I follow that line of questioning up? It is clear that we have had evidence of some of the negative connotations that young people have, particularly those with complex needs and we will come back to that general field in a moment.

What I would be anxious about is the extent to which there is then a postcode lottery for young people with difficult and complex needs, whether that is a learning difficulty or ex-offenders, or people without educational qualifications or whatever. If they are in Suffolk they can access MyGo, and if they are in Liverpool there might be an equivalent scheme, but in lots of places, there are not. Should the Department or the Government across the board take responsibility for making sure that there are no deserts in terms of specialist support for young people who have high levels of need?

**Damian Hinds:** Ms Buck, as you will know, there are two sides to that coin. One person's uniformity and guarantee of there not being a postcode lottery is another person's absence of diversity and creativity, and there is always a tension between those two things. Yes, we do want the best programmes to be available everywhere but we do not want to stop a particular area that wants to do something creative. We do not want to stop ourselves being able to test things, pilot them and learn from what happens. In DWP these days, there is a constant stream of



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activity. Whenever I visit Jobcentres—and I do, often—in every one of them, there is usually something at some level being piloted. The idea is you learn from that over time; you retain those that work well and have promise about scalability, and you don't retain the others.

**Q155 Chair:** In that case, do you have, within the Department, a map that you are constantly reviewing of where those innovatory practices are happening and what results come out of pilot schemes and different innovations?

**Damian Hinds:** There is a sort of hierarchy, not in the hierarchical sense of a hierarchy, but there is a distinction to be drawn between what is a relatively small number of large-scale pilots where, yes, absolutely there is a clear set, with very high visibility, of what those are, and a much longer list, which is also totally visible but by definition you would not be referring to it as often, of where individual districts, for example, are doing additional things. However, there is no substitute for being out in the field and meeting people who are working in branch, working at the front line, and discussing how practices are. In any large organisation, as well as in whatever kinds of programmes you have, whatever branded initiatives you have—we rightly welcome some devolution of decision making—there will always be the additional focus that an individual branch manager or district manager brings to an area.

**Iain Walsh:** I was going to add a small thing to what the Minister said about doing various bits of engagement with different local areas, about testing how effective their own interventions are. There are lots of good stories. MyGo is one, but there are many others where good tales are told about people getting into work. One thing we are working on is getting an evidence base to show in quantitative terms what difference it makes.

**Chair:** That is what I was trying to get at.

**Iain Walsh:** We have some of the data that can help track what happens to people when they have interventions. That is quite a challenging thing to do, but we are going on with that piece of work. How can we capture lessons not only from what we are doing but from more local initiatives, and can we work out whether they produce additionality or added value?

**Q156 Chair:** Do you have a spec and a timescale for that?

**Iain Walsh:** We can send you some information on what is going on. In essence it is about how we can share data with them or use the information to track them. We are looking at that.

**Q157 Neil Coyle:** The Minister mentioned innovative social funding being used. MyGo's example was that they had 2.5 million of European funding. Could you outline what assessment the Department has made of losing access to European funding with the UK's potential departure from the Union and what mitigating measures the Department is looking to put in place?



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**Damian Hinds:** Mr Coyle, you will know this is not the appropriate forum to start doing an analysis of Treasury accounts and Government cashflows at the macro level. Obviously, there are commitments that have been made already to things or programmes that have already been agreed to so programmes have some certainty, some planning assumptions and can continue to proceed on that basis. As for the wider cashflow implications, exactly where and how the funding pot has changed, those decisions will be made in due course.

Q158 **Neil Coyle:** So none is the answer?

**Damian Hinds:** The answer is the one I just gave—I can repeat it if you like. That was the answer

Q159 **Neil Coyle:** Okay. What assessment has the Department made of the loss of European funding and what mitigating measures? It does sound like your answer is, “none”.

**Damian Hinds:** Mr Coyle, you will be aware that the way that cashflows work between the United Kingdom and the European Union is that for many years we have been members of an organisation and we have to pay some money to that organisation and we obviously get some money back from that organisation. Some of those flows of money are quite complex. Some of them happen in different timeframes or overlapping timeframes, sometimes for programmes that straddle the period before and after we leave the European Union. There is a lot to be worked out. It seemed to be implicit in your question that there was necessarily a net loss of funds to the United Kingdom as a result of this and I am not sure that is an assumption that you can safely make.

Q160 **Richard Graham:** Coming back to youth unemployment in the UK, Minister, you have taken up this portfolio at an interesting time. Youth unemployment is back where it was before the recessions started in 2007. The situation had been vastly improved over the last five and a half years or so by a big increase in apprentices, most of whom have gone on to fulltime employment after completion of their training. If the Government target of 3 million apprenticeships during this Parliament is achieved—quite a big ask—and the conversion rate was similar, what impact would that have on youth unemployment? What effectively is the correlation between apprenticeships and youth unemployment? How important are apprenticeships to bringing down the youth unemployment figure further?

**Damian Hinds:** There is lot in this, Mr Graham, as you say. Apprenticeships are about many things; reducing unemployment is one of them but it is only one of them. They are part of a big structural shift to improving the upskilling of the nation. We know that over many decades there has been a productivity gap between our nation and other leading advanced nations of the world. Part of that—there are other parts to it as well—has been about skills. I know that you have been deeply involved



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with the apprenticeship programme, promoting it and getting young people in Gloucester and elsewhere more engaged and involved with it.

In terms of the relationship between unemployment and apprenticeships, the proportion of under-25s starting an apprenticeship in the most recent years for which we have data—2014-15—11% of those in the age group starting apprenticeships had been on unemployment benefits in the previous six months. That is not to say that all others had been in employment, because they could have been straight out of full-time education, but that is the sort of direct linkage.

In terms of the effect on unemployment overall, I am not sure it is possible to pick on a single number because there are a number of different things going on. There is this general upskilling; that includes people who are in work now and who will go on to an apprenticeship. It also includes people fresh out of school or college who will be going on to apprenticeships, and also includes people who have been unemployed. So it is a mixture of things.

**Q161 Richard Graham:** Chairman, would the DWP be able to send us some form of analysis of what they think the correlation between apprenticeships and youth unemployment is? There is for example a school of thought that says not many of the apprenticeships are going to young people between the ages of 17 to 24, and that more of them are going to people over 24. An increase in apprenticeships would therefore not have a great deal of impact on youth unemployment. I don't think we know enough about the statistics to know one way or the other so any input you can give would be very helpful.

**Damian Hinds:** I can give you a couple of numbers now, if that is helpful, certainly in terms of the age groups.

In 2014-15 the proportion of apprenticeship starts by people under the age of 19 was 25%. It was 32% in the 19 to 24 bracket. It is over half between those two age brackets. Now, it is true that in terms of the year on year growth, the faster growth had been in the over-25 age group, but the under-19 proportion is now back to a level similar to that in 2010-11.

To come back to your earlier question about the relationship between apprenticeships and unemployment: 31,000 starts were by people under 25 who had been on a benefit in the previous six months and the equivalent figure for apprenticeship starts among all age groups of people who had been on benefit in the previous half year was 46,000.

**Q162 Richard Graham:** Thank you. So, if we can have those figures, to see what impact they have had on youth unemployment, it would be really helpful.

On the second part of this question—support for schools—most of the young people I have met who have taken on apprenticeships say they got very little briefing, and quite frequently they say they got none, on



apprenticeships. They also say they got very little support from their schools, with the obvious point that their teachers had been to university and had not ever seen what an apprenticeship really looked like. To what extent will the new support for schools programme help fill that gap and how else would it help reduce youth unemployment?

**Damian Hinds:** Thank you. The Jobcentre Plus for Schools programme is an important new initiative and if I may, Chair, I will put it in the context of the overall working with schools and careers advice for young people.

Careers advice overall comes under the auspice of the Careers & Enterprise Company—CEC. We are not a competitor of theirs; we are a provider, if you like. We are a service that can be commissioned or can be recommended to a school by them. The idea is that the Careers & Enterprise Company has a suite of products and services and providers available to it. It can recommend to individual schools that, given their profile of pupil, and given the sort employers in the area and so on, they may want to have this or that organisation come and talk to their youngsters. We come in with Jobcentre Plus Support for Schools. We do not envisage that ending up in every secondary school in the country—we envisage it can reach about 1,000, which is a significant proportion. We add quite a lot of value where you have schools with a reasonably high proportion of young people who are at risk of becoming not in employment, education or training, and we can also provide an important link to employers in the area and of course our Jobcentres have extensive contacts with employers.

Q163 **Richard Graham:** Would your 1,000 schools that you identify as needing the Support for Schools service be identified by the local JCP based on output and achievement figures from that school historically?

**Damian Hinds:** No. We are there by invitation. It is demand led. We have to market ourselves as well—we want people to be aware of the service, aware of what we can do, and we will do that through the Careers & Enterprise Company, through the LEPs, and local enterprise partnerships, who work closely with the Careers & Enterprise Company. We will do it also through organisations that are providing volunteer enterprise advisers who go into the schools via the Careers & Enterprise Company—but fundamentally it is about the CEC and the school, and/or the school, identifying that for this school in this area Jobcentre Plus Support for Schools would be a helpful, useful resource.

Q164 **Richard Graham:** When will it start and how are you going to measure it?

**Damian Hinds:** We have tested it in 10 areas in the country already. The national rollout out to 1,000 schools has just started. As of now, we are available to go into more schools.

How will it be tested? We have, obviously, a range of measures that we deploy in local areas. We are tracking getting everybody including young people into work, giving them the support they need. The most



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immediate, primary measure of the efficacy and success of the Jobcentre Plus Support for Schools programme will be the number of schools who, first, ask us in the first place, and secondly ask us to come back and retain that contract. It is all about where we are delivering something that is useful to those young people and not immediately available from somewhere else.

**Q165 Heidi Allen:** Damian, you will know that one of the areas that in the Committee we have been particularly interested in is how prepared work coaches are for awful lot of different skills they are going to need. The Jobcentre in future is a whole brave new world. Talk us through the kind of route that a young person who has all the skills, background, contacts—someone who can basically help themselves to find work—and the kind of routes we have been talking about today where people are further from the workplace. Talk us through the difference in terms of the service they will get from the Jobcentre.

**Damian Hinds:** Of course some or many young people won't come to the Jobcentre at all. They will find work immediately or through other routes. For those who do come to us, there is a range of resources available and we recognise that there are different levels of support that can be offered and that are required. In the old days you could make a criticism that said—statistically it is a difficult thing to say but it is fairly predictable—that you will get a certain proportion of youngsters leaving school who are going to struggle to get into work. Part of the point of Jobcentre Plus Support for Schools is let's not wait until they arrive at that point. Let's work with the school, let's work with those young people, and crucially with employers in the area, to make that journey as seamless as possible, to make the transition from school to work, work for those young people.

We are introducing an intensive activity programme for young people as they come into making a Universal Credit claim. It is a mixture of one-to-one stuff—an interview at the start, and an exit interview at the end of that process—but also group sessions to work on employability skills, CV skills, the process of looking for work and all that sort of stuff. Then work coaches also have at their disposal a thing called the district provision tool and the flexible support fund, which you know about. On the district provision tool there are basically listings of various different services, various different organisations, who provide support on things like—almost by definition you can't quite give a definitive list—mental health barriers and difficulties with ESOL and needing to improve. They also provide support if you need additional support on CV writing, communications or whatever it is. There is a range of provision.

**Q166 Heidi Allen:** So that is in addition to the focused support they get once they register for Universal Credit?

**Damian Hinds:** Yes.

**Q167 Heidi Allen:** The regular package, if you like, without any additions. You



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talked about a starting interview and a final interview. Is that with a work coach?

**Damian Hinds:** Yes.

Q168 **Heidi Allen:** How long is the off-the-shelf package of intense support for young people? How long does that take roughly?

**Damian Hinds:** Although I just used the phrase “exit interview”, it would not be right to see these as start points and end points. I say “exit” as the exit to that three-week period. It is not the exit to overall thing.

**Heidi Allen:** It is three weeks, though.

**Damian Hinds:** I suppose if you were dividing up the time period, there is a specific approach for the first three weeks under Universal Credit, and then the first six months, but there is intense contact and so on going on all through that period, encouraging young people, presenting them with opportunities for work experience, for sector-based work academies, for starting an apprenticeship or traineeship, and so on.

Q169 **Heidi Allen:** That is with the work coach, is it? That is the person who is holding the young person’s hands throughout this?

**Damian Hinds:** Yes.

Q170 **Heidi Allen:** Okay. Universal Credit and work coaches are being rolled out, of course—it is not the finished article—but how does that service compare to what young people receive if they are in the part of the country that at the moment does not have a fully functioning Universal Credit and work coaches up and running?

**Damian Hinds:** The system is evolving. In preparation for coming here today I had the opportunity to revisit my history of social security, Jobcentres and the welfare states, and if you go back over a long period of time, you will see examples of all sorts of support programmes and help and training and work placements and so on. What we have been doing in the last few years is taking those things that work best, retaining them, and rolling them out more broadly. The youth offer that we have now builds on the youth contract before. There is a lot of overlap between the two things but not everything is the same because you are evolving the offer, based on what works. The youth obligation programme to start from April next year again builds on the current youth offer; again, there is a lot of overlap but there are some things that are different. So it is not the case that somebody who is a JSA recipient has a wildly very different experience in terms of the support they are getting from somebody who is a Universal Credit recipient.

Q171 **Heidi Allen:** But the work coach is new, though, isn’t it? The work coach is a new phenomenon. We keep being told that this is the fundamental difference about Universal Credit—this is the brave new world of Jobcentre that this work coach is almost a handholding mentor who holds you through this process.



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**Damian Hinds:** We are also evolving the role of the work coach and there is the work coach delivery model in which work coaches have what we call a mixed caseload of people on different benefits, with different sets of barriers, sometimes, for getting into work but which also means that as an individual person, if your circumstances change, if you change the benefit you are on, you retain the relationship with that work coach who knows about you and knows how far you have come, and is in a good position to work with you on the next stages of how you get closer to work.

Q172 **Heidi Allen:** I have two final questions, if I may.

The bit that troubles me, and I think many of us, is that this work coach is not going to be a specialist in disability or a specialist in youth employment. They are going to be allegedly multi-skilled. What specific skills or training and development are being given to work coaches to enable them to specifically help young people with the employment needs they have? I ask that because we had a couple of organisations at our last session—I forget the name of the young women’s one but they have a national profile. Essentially we asked them, “Have you seen any difference in the way that young people are dealt with and given the right support and encouragement and so on if it is a Jobcentre with work coaches, with Universal Credit fully rolled in, or if it is an old style one?” They could not see any difference at all. How skilled are our work coaches?

**Damian Hinds:** We need to draw a distinction between Universal Credit and work coaches versus not work coaches. We have work coaches everywhere. We are evolving the role of the work coach. Part of that is the work coach delivery model, which is already rolled out. There is also a major continuing professional development programme going on, starting with new recruits coming into the work coach group, and we are hiring at the moment. There is an extensive accredited training programme. I sat in on one day of it myself. I have experienced a little bit of what it is. It is high-quality stuff. There is also then a programme to be gone through with existing work coaches to include accreditation and so on. That includes training on lots of specialist aspects of the job. It is true that we are going for a mixed-caseload model but it is supported by specialists. For example, you mentioned people with disabilities. There are disability employment advisers who can act as expert consultants to the work coach.

Q173 **Heidi Allen:** But the work coach needs to have enough knowledge themselves in the first instance to know that they can’t answer all the questions and therefore to refer it to someone else. If you are not knowledgeable enough yourself, you don’t know that you are out of your depth and you cannot help that individual.

**Damian Hinds:** That is where the professional development, the training, and the resources available to the organisation become so important—of course they do. That is one of the reasons why obviously



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we train people and I believe we have a very high standard now of training provision.

On this overall question—I think this came up in previous times I have had an opportunity to speak with the Committee—of whether you have generalists and a mixed caseload or specialists with a less diverse caseload, whichever one of those two you go for, I promise there was always an argument for the other. That is not just the case in Jobcentre Plus and the Department for Work and Pensions—any organisation will have its equivalent of that sort of choice. We have made the decision organisationally that overall there are great benefits to having a mixed caseload. It is partly about the experience that you can draw from the diversity of your customer group in helping others of your customers. It is partly for the reason I was mentioning about the individual being able to maintain the same work-coach relationship and the knowledge that that work coach has of the individual even if they change the benefit they are on or change their circumstances.

Q174 **Heidi Allen:** Maybe just as a final question, it might be useful if we don't have it already to ask to see what that training programme is for work coaches so that we can see all the different aspects they are trained on.

**Damian Hinds:** We can provide that.

Q175 **Chair:** As a supplementary to that, do you run your own apprenticeship scheme?

**Damian Hinds:** We do. The thing I have just described has apprentice accreditation itself. I have to look to Iain, to my left, for any detail on points at which the different levels kick in.

Q176 **Chair:** It would be very interesting—you may or may not be able to answer the exact question now—to know how many work coaches have either been through your own scheme or have had an apprenticeship background.

**Iain Walsh:** In very broad terms, we are recruiting work coaches at the moment and all new entrants go through this NVQ process and professionalisation. In parallel with that, we are thinking about people who are already there and how we put them through it, or rebadge them. That applies to everyone. We are taking on quite a lot of apprenticeships. Also, we have started a number of traineeships, so people can come in as what will be called AOs within the Department and then they can perhaps progress towards an apprenticeship and onwards. We can also give you more detail on that but in general, because we are quite a high-volume organisation, we certainly want to play our full part in traineeships and apprenticeships.

**Chair:** Just a few headline figures would be helpful on that.

Q177 **Steve McCabe:** I want to ask a couple of questions about your ambitions for the youth obligation. Obviously this is the Government's new flagship



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policy, as I understand it. If I have got it right, the rollout is going to be in areas that have a full Universal Credit service. Is that right, Minister?

**Damian Hinds:** Yes.

Q178 **Steve McCabe:** How many areas and how many young people do you expect you will be working with?

**Damian Hinds:** First of all, Mr McCabe, you are right to identify the rollout sequence and as you will know, right now there are a relatively small number of Universal Credit full service locations. However, the timing of this programme is relevant. The youth obligation starts in April 2017 by which time there will be more Universal Credit full service locations and that goes on as time goes on. By September 2018—you will correct me if I am wrong, Iain—all new claims would be Universal Credit full service claims. Is that right?

**Iain Walsh:** It is.

**Damian Hinds:** So initially it is a relatively small number—it ramps up—but that has advantages. When running any new programme, you probably want to have a way to do it not as a big bang, all on one day. As it happens, this is the rollout sequence that also facilitates having a more gradualist approach and enables you, if needed, to tweak and amend certain aspects of the programme as you progress.

Q179 **Steve McCabe:** Assuming the timetable for Universal Credit rollout is maintained, your expectation is that by September 2018 all young people eligible for youth obligation will have access to it in their area. Is that right?

**Damian Hinds:** Yes.

Q180 **Steve McCabe:** What will be the starting figure for young people? I am just trying to get some sense of how rapidly you are going to work through the numbers.

**Damian Hinds:** I should first say that our ambition is to have more and more young people going into jobs and then for those that do not go into jobs, our ambition is that when they come into contact with the Jobcentre Plus support that is available, we want them to have a good experience, accumulate whatever additional work experience and so on they need, and then get into a job as soon as possible. I do not have in mind a target number of young people who I want to be on the youth obligation. I certainly do not have a target number of young people who I want to be on the youth obligation six months after they have started their claim. I want that number to be as low as possible and with all the options that are now available, with sector-based work academies helping people get closer to the workplace, ditto on work experience, traineeships, and the big continued expansion in apprenticeships, as well as what we have seen in the labour market overall. I am hopeful of doing that.

Q181 **Steve McCabe:** I am interested in the youth obligation and I am



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interested in your ambitions. I suppose I have been here a wee while and I have heard lots of Ministers come to the Dispatch Box and tell us about their flagship policies but with a bit of probing I have discovered that it affects a fraction of the people involved. I am just wondering how long we are going to be listening to that.

If I have understood it correctly, one of the slight problems with the rollout of Universal Credit is it doesn't match the unemployment black spots in our country, so the areas where we will have highest pressure on youth unemployment, where you would most want people to take part in the youth obligation, are the areas that are likely to be last in line to have the full Universal Credit service. What are you going to offer those young people in the interim period, because they might be entitled to say, "Sounds great, Minister, but I don't happen to live in that part of the country"?

**Damian Hinds:** Look, I understand absolutely the point you are making. This is not the moment to discuss the full kind of rollout of Universal Credit and all the different aspects involved, of course, but you will know that it is a huge project, it is a huge transformation and it affects all sorts of things. Yes, it is a system rollout, but it is far more than that. It affects the whole way that we support our people who are out of work. It also affects the people who are in work, and that itself is a huge change, which is unique to this country. It affects our deployment of human resources; it affects a lot of things.

**Steve McCabe:** I understand.

**Damian Hinds:** In determining the rollout schedule, there are a lot of things to take into consideration, but very high on that list is making sure that you have the most robust and safest rollout schedule. We do of course give extra support to places where unemployment is particularly high or circumstances are particularly difficult. We allocate our resources in part according to where there are the greatest numbers of unemployed people, clearly.

We were just talking earlier about Jobcentre Plus for schools. We are not trying to do that in every secondary school in the country. We are saying we will seek to be invited to the places where there are large numbers or larger than average numbers of young people who may be at risk of becoming NEET. That is a way of devoting our resource to the places where it is most needed.

It is also true that as you go around the country, in places with the most challenging circumstances, with the largest numbers of people with complex barriers, then you also find typically diversity and volume in terms of the extra support facilities that are available to work coaches to put them on to. Our resource and our effort is very much tied to where it is absolutely most needed, but specifically on the youth obligation, I do want to reassure you that most of the elements of the youth obligation are going to be available to you even if you are in one of the other areas.



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Extra support from work coaches, extra time with work coaches, the availability of work experience placements, of sector-based work academies, will be available to you in other areas as well.

Q182 **Steve McCabe:** From April?

**Damian Hinds:** From now. That is what I was meaning by it being a transition. There are things that are different about the youth obligation compared to right now or compared to two years ago, but there are also things that are the same. The things that are the same, those are available to everyone.

Q183 **Steve McCabe:** I am not trying to trip you up here. This is a serious question. Could I safely say to an unemployed youngster in my constituency tomorrow, "Look, I have just been at a session with the Minister and he says all these services are available. You should go into the Jobcentre and say, 'This is what Damian Hinds is saying'", and will that young person get the response you have just suggested?

**Damian Hinds:** Can you safely say to a young person in your constituency that at the local Jobcentre there are opportunities to take work experience placements, to go on sector-based work academies, to find out more about and to apply for traineeships and apprenticeships? Absolutely.

Q184 **Neil Coyle:** You were talking about full service areas and mentioned that you need a robust schedule for delivery, but equally important is getting it right, I think. This is new and there are teething problems. My borough is a full service area, Southwark. How are you monitoring the teething problems? What are they and how are you ensuring they are not passed on nationally as it rolls out further?

**Damian Hinds:** Is this is a general Universal Credit question rather than a young people question?

**Neil Coyle:** Yes and no. My particular focus is around people moving into work, but feel free to share wider problems.

**Damian Hinds:** The general picture of Universal Credit is one of enhanced effectiveness in getting people into work. We know that for every 100 people on the JSA system who have gone into work, 113 have done so on Universal Credit, so there is a significant premium in effectiveness through Universal Credit.

In terms of how we monitor things that need to be further improved, there is a constant feedback loop on every level, the robust testing of different approaches. On in-work progression, for example, we have a massive randomised control trial going on to assess in a very robust way what sort of frequency of contact with people already in work has the most beneficial impact. Then on a kind of more immediate level, for the users of the system, the work coaches, there is a system whereby basically on every screen that they go through—and we all know those



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frustrations of working with sort of restrictive systems, “God, if only I could do this”—there is a little click thing that says, “How could we make this better?” Work coaches are constantly inputting into that.

Then there is a set of these sort of proposals that appears to the systems development team. They will typically work through them and then periodically—I cannot remember how often, but periodically—when each new release comes out, which is quite frequent, a list will appear of the improvements we have made based on our users’ experience. The work coaches then see them and they can see the actual experience of people using the system is being absolutely taken into account in a very practical way and is informing the ongoing development of the system. That then in turn encourages them to be very active participants in that process.

- Q185 **Neil Coyle:** One very specific thing that is emerging is where people move into work. They are not always telling their landlord that they are moving into work, be that a council or a housing association. The Department seems to be very slow at providing information to landlords in particular about the move into work, which means in effect the Department is allowing some element of fraud to occur and is failing to provide information at court where this is identified. This is early on in this process and I hope it is something the Department will pick up before rolling out further.

**Damian Hinds:** Mr Coyle, I am grateful to you for raising this. We will pursue this outside the Committee. If you are able to give more information on the case, that would be helpful.

- Q186 **Neil Coyle:** It seems to be that the information-sharing is not fully working between councils, housing associations and others and Jobcentres and the Department. That seems to be the barrier. I am unclear how the Department can get around this quick enough to meet the schedule you have outlined today.

**Damian Hinds:** We will certainly take that away and we can talk about it further.

**Chair:** We would all be interested in knowing if that is a problem.

- Q187 **Heidi Allen:** I probably should have tagged this question on to the end of what I asking before. You started to talk a little bit about the initial three-week intensive intervention for young people when they walk into the Jobcentre. Six months feels like the window—the youth obligation window—with which you would hope to find work for young people. What do you do with any youngsters that are still not in work at the end of that six-month period?

**Damian Hinds:** At the end of that six-month period, the expectation is that that young person would then take up a training opportunity, an apprenticeship, a traineeship or a community work placement.

**Heidi Allen:** What happens if they don’t?



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**Damian Hinds:** That is an expectation, so in the same way as the previous Government did in the new deal for young people, it is a quid pro quo of being in receipt of benefit.

**Heidi Allen:** You are probably going to ask what I am going to ask, so go on.

Q188 **Chair:** There will always be one of those appropriate placements for that young person to take up?

**Damian Hinds:** Look, we are living in a world now where there is more flexibility, there is more discretion that work coaches are using working with their clients and I think rightly so. Obviously, as I was saying earlier, we seek to minimise the number of people who reach this point. There are opportunities around those 750,000 vacancies out there. We have the big expansion of the apprenticeship programme and so on and we want to be helping people to get into work or further study or training as quickly as possible. If they do not, then from the six-month point, it is possible to say that they must take up such an opportunity when it is put in front of them.

Q189 **Chair:** But that wasn't my question. My question was: in every case will that young person have an appropriate scheme that is available to them to take up and will you be specifically monitoring that?

**Damian Hinds:** Yes, of course.

Q190 **Chair:** Because there will be plenty of young people whose basic skills or whatever will not necessarily qualify them to enter into an apprenticeship, for example.

**Damian Hinds:** No, quite. But as I say, a traineeship is a good example of an opportunity to build up some of those skills. Also at any age there is funding available for training for very basic skills for people who do not have them and of course we will be working with and encouraging young people to take up some of those opportunities as well. But the point with the youth obligation is that from the six-month period, yes, we do expect you to take up a position. It could be a traineeship or an apprenticeship, or if not, then work for the benefit of the community.

Q191 **Chair:** Just to kind of pin this down—you keep moving it back on to the young person's obligations and we all accept that there are responsibilities on their side too—but will you be able to say, or you are able to say now, whether you will be able to track in future the number of young people who have met their obligations, but who at the end of six months do not have an appropriate placement, whether it is a training placement, an apprenticeship or whatever? It is just a factual question. It is not an opinion question.

**Damian Hinds:** Look, I will continue to monitor all of these things.

**Chair:** But what are the numbers?



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**Damian Hinds:** I want people to be in productive work; I want people to be acquiring skills; and I want people to be taking advantage of the apprenticeship programme.

**Chair:** But what are the numbers though? That is the question.

**Damian Hinds:** By definition, it is not knowable at this point in time exactly how many people would be in exactly that position six months after the start of a programme that hasn't yet started. We want to make the number as low as possible and that is what our network of Jobcentres is focused on. That is core business for us. The point is that I am not trying to—

**Chair:** At the end of six months, you will have that figure? That is the question.

**Damian Hinds:** There is no question I am seeking to avoid here. The point is that, at the six-month point, it is possible to say to somebody who is not in work at that point that there is an expectation and a quid pro quo of them taking up such an offer, or if not that, then a community work placement.

**Heidi Allen:** I suppose what I wanted to get at is yes, okay, this programme has not started yet, but it seems to me we are putting an awful lot of faith—it is right to be positive and all the rest of it—into the skills of our work coaches, this brave new world of Universal Credit and the youth obligation. Unless we are tracking at the end of that the number of youngsters that don't have work or a traineeship, and unless we understand why they don't, how on earth do we know whether the offering that the Jobcentre is giving them is sufficient?

**Damian Hinds:** I entirely agree. We will precisely be doing that, of course.

Q192 **Heidi Allen:** Because in the same way as adults who have been out of work for a long time and are more difficult to get back in, mental health issues, whatever it might be, skills issues, the same may well apply to learning skills.

**Damian Hinds:** We track that now. We track sustained youth unemployment now and we will be of course tracking what happens with young people at these different stages. Iain will know the number off the top of his head—I have it somewhere in my notes—that by the six-month point, the proportion of young people who have moved off benefits and into work is—

**Iain Walsh:** Yes, it is between probably about 80% and 85% are off benefit within six months. What we could say at the moment is if in six months' time the number of people who claim from April 2017 onwards is roughly the same as now, we obviously have calculations about how many people we might expect to reach the six-month point. As the Minister says, we want to minimise it as much as possible. In terms of



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estimating the number of places that might be likely, we have that sort of work going on. As the Minister says, we will also be tracking about what proportion of people have gone on apprenticeships, skills-based work or placements. Ideally we will then also want to track what has then happened to them to get a bit of further evidence about what is relatively more effective.

Another feature of the youth obligation is a few weeks, maybe a month or so before someone has reached the six-month point, we will insert a dedicated session with the work coach to talk to the individual about if they are not off benefit by six months, what might be the most appropriate placement for them to go on or training opportunity. All of that is built into the planning and the design. It is just right at the moment, because it hasn't started, we cannot point to those figures. But we very much take the importance of all that tracking, because we do want to make it as individualised as possible. Ultimately, it is all about getting the best outcome for an individual claimant.

**Q193 Heidi Allen:** That is good to hear, because if you leave it until six months, that may well be six months of wasted time because we have been going down entirely the wrong alley with that young person.

**Damian Hinds:** Hang on, there is no question of leaving it six months. This is a day one programme, so from the point that, as a young person, you come through the door of a Jobcentre, we are working with you to try to find you appropriate employment or to try to get you closer to the point where you can take appropriate employment. It is absolutely not the case of waiting for six months.

**Heidi Allen:** From an analysis point of view, if I—

**Damian Hinds:** No, no, it is also not the case that we are waiting six months to do analysis. We are constantly—

**Q194 Heidi Allen:** To be fair, Damian, that is the first time we have heard from Iain, just saying, "Oh, the month or so before we will see how far along the process that young person has got".

**Damian Hinds:** We are constantly doing analysis: now, in the past and in the future we are constantly doing analysis of the effectiveness of different programmes and trying to, yes, as I say, help people into work as quickly as possible. With Universal Credit, there is a lot more you can do in terms of tracking outcomes and the real-time earnings information and the marrying of those two things together enables rather more than has been possible in the past, but it has always been a matter of focus, how these things work.

Just to give you an idea, in terms of the efficacy of, say, sector-based work academies, we know from studies that an 18-month period attending a sector-based work academy typically would mean 29 days fewer on benefit in those 18 months and 50 days more in employment than somebody who has not. For taking on a work experience placement



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over a 24-month period, 10 fewer days on benefit, 49 more days in employment. In the intensive activity programme, looking over a nine-month period, a young person would typically see 11 days fewer on benefit, 10 days more in employment. There is a lot of analysis that goes into these things, that goes into designing the programmes and with the youth obligation, knowing that we are focusing on the things that have the strongest evidence base behind them to help young people get into sustained employment.

**Q195 Heidi Allen:** Perhaps I can just make a final point about something that might be useful from our point of view. I know, Iain, you said you are working on it at the moment, but could you give us an overview of the type of analysis you intend to do and at what point, and how that might influence any tweaks you make to the system or different ways of helping people? I know youth unemployment is regional. In my constituency, for example, I am very fortunate and do not need to worry about it, but it is particularly bad in some parts of the country and it is not showing signs of getting any better. If it was me and if I was in your shoes, I would want detailed analysis about that region, those Jobcentres and what was changing about the outcomes for those young people.

**Damian Hinds:** Indeed, and to come back to where we started, I am totally focused—and I know officials are totally focused—on bringing youth unemployment down further, but it would not be right to suggest that the picture has not already been improving. It has. The number of young unemployed people has come down; the number of young unemployed people not in education has come down; the number of long-term unemployed people has come down. In each of those cases, those numbers are at pre-recession levels.

**Q196 Neil Coyle:** But Heidi's point, I think, if I may, Chair, was about where that isn't the case—those specific geographical parts of the country where both youth unemployment and adult unemployment have gone up. But let us move on.

**Damian Hinds:** Sorry, there is no dispute about that either. As I say, nothing—

**Neil Coyle:** Fine, fine. Sorry, Minister, let us move on. We are going to run short of time otherwise.

In order to deliver the youth obligation, you have the flexible support fund, but it is a bit unclear at what point that kicks in and how it will be used specifically for young people. Perhaps you could talk us through that, please.

**Damian Hinds:** Thank you, Mr Coyle. In answer to your previous point, there is no dispute about the necessity to focus—and it links with what you were just asking as well about the flexible support fund—on areas where there are particular issues. I was saying this at the beginning of the session. That is why we focus resourcing to places where there are more unemployed people. It is why on the Jobcentre Plus Support for



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Schools programme we are focusing effort particularly on young people who may be at greater risk of becoming NEETs. But constantly it is our focus to try to make sure that wherever you are in the country, whatever circumstances you are born to, the opportunities that are available to you are as great as they can be.

The flexible support fund, which you were just more recently asking about, is one tool—well, I suppose it is a vehicle to access a series of tools—in order to be able to do that. How is it determined how it is used? It is a flexible fund, so there is flexibility for individual work coaches about how they use it, but in particular places that have a particular preponderance of certain issues, you might have more provision of one type than another, but there is a diversity in different places.

**Q197 Neil Coyle:** An individual work coach in Oldham will be able to commission a service for a young person to get a job or has a budget been set aside for that end?

**Damian Hinds:** Did you say in Oldham?

**Neil Coyle:** Anywhere.

**Damian Hinds:** Or anywhere. An individual work coach would have access to the district provision tool, which shows those things that have been commissioned and are available. I will ask Iain to fill in the detail here, but I think it is possible up to a certain amount to be able to use flexible support fund monies for things that are not on that list. To help somebody get to a job interview, or even to help with interview clothes or to be able to fund replacement childcare or elder care so that somebody can attend an interview, for example, it is possible to do that from an allocation from the fund.

**Q198 Neil Coyle:** I know Iain wants to come in. Is a prescribed district manager commissioned and is there a top-up for ad hoc payments like childcare or travel or suits or whatever it might be for an interview? Is that what you have said?

**Iain Walsh:** Broadly speaking, that is right. The money is devolved down to district level and then from there it can go down to Jobcentres. Although the flexible support fund is used for lots of different things, if it is like an individual barrier to work for that person, be it travel or clothes or any of the other things that the Minister has mentioned, that can be done at the Jobcentre Plus at an individual level and is tracked that way. But then to get a bit more sort of economies of scale and tracking, we are just introducing a dynamic purchasing system, which will be operating from the district level, where if it is felt that provision is missing in that particular district or it would be particularly helpful in certain areas, that is likely to be agreed at a district level, but then available within Jobcentres within that district. As you said, it is a bit of a mix and match.

**Q199 Neil Coyle:** About half the budget is for that DPS system rather than the district manager commission system?



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**Iain Walsh:** The DPS is at the district level, and at the broader level within that are individual Jobcentres. I imagine the ratio would be different for different areas. All I am saying, if it is something that is really specific to that individual, about travelling to work or to an interview and that is a barrier to stop them getting there, that could be agreed between the work coach and the individual. If it is felt that in a given area there is a missing need that could help quite a few people, then that is more likely to be some provision that is commissioned at the district level.

Q200 **Neil Coyle:** Is any of the flexible support funding going to employers to provide places for work placements or internships?

**Iain Walsh:** The money for things like sector-based academies and work experience is now part of DWP's core funding under the spending review. In terms of the amount Departments got from Treasury, the use of, as I say, things like sector-based work academies, work experience, is part of that funding and is therefore something that can be used where a work coach agrees that it is appropriate for that individual. That is separate from the flexible support fund.

Q201 **Neil Coyle:** This is part of the first question I asked, so it is repetition rather than a deviation.

When is it used? Is it all during the six-month period or is any of the flexible support fund going to kick in at the end of that period for those who we have just been talking about who may not have found employment?

**Iain Walsh:** The flexible support fund is neither age-specific nor duration-specific, so it can be used at any point that is appropriate to that individual. That is additional to the youth obligation.

Q202 **James Cartlidge:** It is just about employers. We haven't spoken a huge amount about employers. Would you summarise the Department's overall programme for encouraging employers to engage with young people and to offer them both employment and work experience placements?

**Damian Hinds:** Employers are fundamental to what we do. On previous occasions with the Committee, I was asked by Mr Field, when he was in the chair, who we consider our customer to be. I said we have two customers: we have the person who comes through the door, the client, and then we also have firms, who need people to be in productive work. Both sides of that equation are extremely important, including the way we interact with firms. Some large companies are dealt with by the national account management team, and then at a local level, each Jobcentre area has somebody who is for that Jobcentre in charge of dealing with employers.

We want both to ensure that the service we are giving to them is as good as it can be. It is important for the productivity of the UK economy that people apply for jobs and get an interview in a timely way, and that the



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companies create volumes of people to apply for their jobs. But also we have asks of employers. We have a number of programmes with groups in society who are particularly premium to place in employment—care leavers, people with an offending history and so on—and we need employers to work with us on them in order to increase the range of opportunities for those people.

We are also keen for them to take part in our work experience programmes. By definition, only employers can offer work experience. The two objectives, service to them and asks of them, marry up in the sector-based work academies, where working very much in partnership with employers we can deliver a good and valuable training experience for the individual, but also from the employers' point of view, that can help with their recruitment, because at the end of the academy, there is an interview for those individuals. There is a range of ways of interacting.

**Q203 James Cartlidge:** I am almost repeating the point I made earlier about the image of the Jobcentre. Are you confident that employers view the Jobcentre as a good place to recruit and advertise when it comes to what effectively is their recruitment consultants?

**Damian Hinds:** The totally candid answer is yes, for some—I would say most but not quite all. I spend a lot of time talking to employers, as I spend a lot of time visiting Jobcentres and trying to understand how we can improve our service. A lot of improvements have already been made. The sector-based work academy that I mentioned is a good example of that and the employers in sectors like retail and hospitality and so on find that a very valuable programme.

The Universal Jobmatch system is a good system. We need to make sure that is delivering as well as it can do for employers. One of the things we do is offer support to employers on how to get the most out of that system in terms of how to word the job posting and so on. We can also offer a sifting service. If we have a partnership with an employer, they are going to work with us, and we can help on sifting. There are all these things that we can continue to work on. But at the end of the day, we have a unique proposition to employers, which is there are lots of online job vacancy services out there, but we have a very large network of premises, we have a large number of staff working directly with the client group and we come into contact with a significant number of people.

**Q204 James Cartlidge:** If I may say, from my experience—although it was some years ago—as a small business employer, certainly we did advertise in the Jobcentre. It was free. There are many candidates and I think the hardest problem was the range between them, and certainly some who had come to interview wondered what they were really there for. We are in an age when people's expectations are higher. I suspect some of your employers will find that frustrating and it is how you keep on top of that to ensure that it does not just become a big, cumbersome database of all the people basically on benefits who are trying to find work, how it is more proactive than segmented.



**Damian Hinds:** Look, you have touched on a broad question, which comes up. This is the whole area of employability skills and so on, but we ultimately have a shared objective with employers to help people work on their employability skills. Things like the work experience programmes are part of that, things like the sector-based work academies are part of that. The best way, or often the best way, to develop your workplace skills is to be in a workplace, and so the more people who it is possible to give the opportunity of that experience to, I think the better all round. Part of what we are doing with the Support for Schools is, in many cases, not necessarily like a Jobcentre Plus employee doing this, but having employers come in to schools and speak to assemblies or speak with a group of young people about what it is that employers are looking for to give someone a job, and then what it is they are looking for to keep someone in a job and to start that conversation earlier.

There has been a decline, as you will know, in the number of young people doing a job while still at school. Many of our—if I might be so bold—generation, your first paid job was a paper round or a milk round or washing up in a café or whatever it was. There has been a decline in that sort of employment, so it makes it even more important that there are forms for talking about these employability skills and what it is that employers are looking for.

Q205 **James Cartlidge:** Why is that?

**Damian Hinds:** Why the decline?

**James Cartlidge:** Why are there less people doing paper rounds and all the rest of it?

**Damian Hinds:** Look, some of it you can only speculate about, and we could speculate, if you like, but I think the bit you don't have to speculate about is paper rounds and milk rounds. There are people reading their newspaper on the internet and there are more people buying their milk in 4 pint cartons at a £1 a go from a supermarket, so there are some structural changes. As for other things, I think it is fair to say there would be different views from different people about exactly what is going on.

Q206 **Chair:** Just a very last mopping-up question. It is a variation on the same theme, which is that employers—I have certainly had this experience with doing the jobs fairs and apprenticeship fairs—will tell you that they are bombarded with applications. That is in part because of the way the job search function is required to be carried out in Jobcentres. That also comes back in a full loop to where we began with the attitude of young people to the Jobcentre, that some—we accept that many go through the system problem-free—are just being told mechanically to kind of grind out the applications. They never hear back from a single one of them; it is very dispiriting and disheartening. The employers will tell you, “There is no point in us having 1,000 of these things, because we don't even look at them”. It just becomes a little bit of going through the motions to no end, when our shared objective of getting young people into work is



probably better met without having to do that.

**Damian Hinds:** I get that point. This goes to the heart of what I was saying earlier about us needing to strive constantly to improve our service to employers and also to make sure we are doing absolutely the best we can for young people and indeed not so young people. It is for that reason that this is always a question I ask of employers when I meet them. It is also a question I ask of people working in the field to try to understand what the real kind of operational reality is.

It is true that some employers I have spoken to have spoken of that. I have to say, an awful lot have not, and so there may be some variation. There may once have been—I cannot speak to that in detail—a culture of saying, “Just get people to apply for loads of jobs”. It should be about quality of application. Yes, we have an expectation that you devote a lot of time to work search activity, but that does not mean just mechanically churning out applications. It is also about tailoring what you are doing, it is also about the research that you do, it is about making the application and your chance of success and progress to be as high as possible.

Q207 **Neil Coyle:** But for some people going through the processes, there are obligations on how many jobs you need to apply for on a weekly basis. If you do not meet those obligations, you can be sanctioned. The Department is making it compulsory to apply for jobs that the employer will not properly consider you for.

**Damian Hinds:** There is not a general rule or rule of thumb that says that somebody on Jobseeker’s Allowance or somebody on Universal Credit should be applying for X number of jobs per week. It is the case that on an individual one-to-one basis with a work coach, you agree and literally sign a claimant commitment. There may be, in individual cases, times when people say it would be good to get applications done, but it is not the case that there is, as I say, a general rule or rule of thumb about a number of applications. What we are about is getting people into sustained work. You do have to make applications, so there is some sort of trade-off. In order to have a good chance of success, you need to be making a reasonable number, but it should be about quality applications.

Q208 **Neil Coyle:** Sadly, I have had individuals come to my constituency surgeries who have been obliged to. They have no computer at home, which is part of the reason they have come to see me—the challenge they face is just getting those applications in, let alone the impact of losing benefits when they don’t manage to meet those targets, sadly.

**Chair:** I have had the same experience. It is very, very disheartening, I think, for young people in particular to be just going through so many of those processes and never hearing back, which I don’t particularly blame the employers for because of the scale that they are dealing with.

**Damian Hinds:** Look, I do see that point about them not hearing back. There is a greater prevalence now of automated systems, online applications and so on. It is a different process in many cases from times



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gone by. Sorry, I don't want to give the impression that we do not expect people to be making a reasonable number of job applications. Yes, of course we do, because to get into work, clearly you have to be applying for jobs and you have to be applying for a reasonable number of jobs. Why don't you say, Iain, what the reality is in terms of metrics and the target that we have?

**Iain Walsh:** It is precisely as the Minister has said. There is no obligation to apply for an individual number of job applications. What there is is an expectation, particularly under Universal Credit, to do all you reasonably can to find work. The best route into answering this is going back to something we discussed earlier, which is about the work coach relationship with the individual and setting up a correct or good claimant count, and then most particularly keeping that relationship going. I think the more you can get highly-skilled work coaches really understanding the individuals that they are dealing with and then mutually agreeing what is the most effective way of finding jobs, then you can get the right balance between the sort of jobs you should apply for and those ones perhaps it is not worth doing.

I am sure it is the case that in some situations things have been too mechanistic and applications have been put in for the sake of it and that has annoyed employers. I am not saying it is in the majority, but I am sure it has happened to some extent. The system answer to that, as I say, is to have highly-skilled work coaches working individually with people and seeing what their needs are.

The second half of the equation is just to make sure that the staff in Jobcentres who are working day-to-day with employers and understanding their needs are firmly bedded into the discussions the claimants are having.

**Chair:** Last one and then we are going to finish.

Q209 **James Cartlidge:** But this is absolutely spot on. The first job I ever advertised in London, the inbox was full with CVs, literally an immediate inundation. As I say, it was a few years ago, but this problem is not new of applying in large numbers and people getting demoralised because they don't get responses—employers are saying they get thousands of applications. It is quite common. I don't know what the immediate answer is, but I would query one system point. It is not just about the human response. Do you have software or a system that monitors how many times people apply? Because it must be very obvious sometimes when somebody is just going and clicking the button. Do you see what I mean? Do you have that capacity?

**Iain Walsh:** I think with Universal Jobmatch we would have that tracking. I would have to find out what the details are. It might depend how they put in their application.

**James Cartlidge:** It would be interesting to see how common it is.



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**Chair:** Thank you very much for your time this afternoon, both of you.  
Much appreciated.