



National Audit Office

JOBCENTRE PLUS

Delivering effective services through Personal Advisers

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SUMMARY

For millions of people, Personal Advisers are the face of government. Jobcentre Plus has 9,300 advisers who conducted 10.8 million jobseeker interviews in 2005-06 at a salary cost of £238 million. Interviews last from 20 minutes to an hour, depending on the particular programme the customer is part of and what stage of looking for work they have reached. Advisers help people find work by diagnosing barriers to employment and assisting them to overcome them. They also have a responsibility to protect the integrity of the benefits system by ensuring those who should be doing so are actively seeking work.

The Government aims to increase the employment rate to 80 per cent, which will require many more of the harder-to-help (in particular, those on Incapacity Benefits) to enter employment. Personal Advisers will be crucial for achieving this and demands for their services are likely to increase under the proposals outlined in the 2006 Welfare Reform Bill.

Overall value for money assessment

Overall, our findings are encouraging. There is evidence that Personal Advisers have contributed to the high employment rate in the United Kingdom, as well as the relatively low levels of unemployment. In particular:

- customer research shows advisers have a positive impact by raising customers' confidence, equipping them with improved job-seeking skills and assisting with job applications;
- the Organisation for Economic Co-operation and Development found significant improvements in unemployment levels in the United Kingdom and other countries with similar policies related closely to the adoption of active job-seeking measures such as those organised through Personal Advisers;
- independent research suggests the use of Personal Advisers is associated with greater numbers leaving benefits; and
- third party employment advisers commented favourably on the ability of Jobcentre Plus Personal Advisers.

The amount of time Personal Advisers spend advising customers is crucial to their effectiveness. Currently, around 52 per cent of adviser time is spent interviewing. Other time is spent in training, performance monitoring and completing paperwork, some of which is clearly necessary. However, there are a number of barriers to maximising the amount of time spent with customers. In particular:

- customers are often late for interviews or fail to turn up at all. In 2005-06, customers did not attend around 1.8 million scheduled interviews at an estimated cost of £16 million;
- a range of other factors reduce the productivity of staff, including limitations of the IT system, some unnecessary paperwork and interruptions during interviews. Errors made by contact centres have knock-on effects in Jobcentre Plus offices and overruns in Financial Assessor interviews can affect Personal Advisers.



Jobcentre Plus has already made improvements to processes to assist Personal Advisers such as introducing new Diary/Administrative Support Officers from September 2006 to undertake routine work, altering the target regime (which has reduced the burden of performance measurement), and trialling changes to the process such as the part played by the Financial Assessor. Jobcentre Plus could further improve productivity of advisers. In particular, it should:

- identify and remove unnecessary paperwork and introduce simple improvements such as reducing the need to write customer details on many forms, and reducing the number of forms by amalgamating similar ones;
- make the most of the role of Diary/Administrative Support Officer to manage adviser diaries, answer calls during interviews, complete routine paperwork and monitor targets;
- emphasise more clearly to customers their responsibility to attend interviews, share best practices in securing high attendance rates such as reminding customers of impending appointments by phone or text, and using unambiguous language in letters with customers;
- longer term, make better use of locally available data to plan better the use of adviser time, and introduce improvements to its IT to remove actions which do not add value.



1 For millions of people Personal Advisers are the face of government. Jobcentre Plus (an executive agency of the Department for Work and Pensions) has 9,300 Personal Advisers (**Figure 1**) who conducted 10.8 million Work Focused Interviews in 2005-06 – 200,000 a week on average – at a salary cost of £238 million. These interviews last from 20 minutes to over an hour, depending on the particular programme the customer is part of and what stage of looking for work they have reached. Personal Advisers have two roles in undertaking interviews (**Figure 2**). They are to:

- help people find work by diagnosing barriers to employment and helping people overcome them; and
- ensure that customers fulfil their responsibilities as a condition of claiming benefit, and help to protect the benefits system from fraud and error.

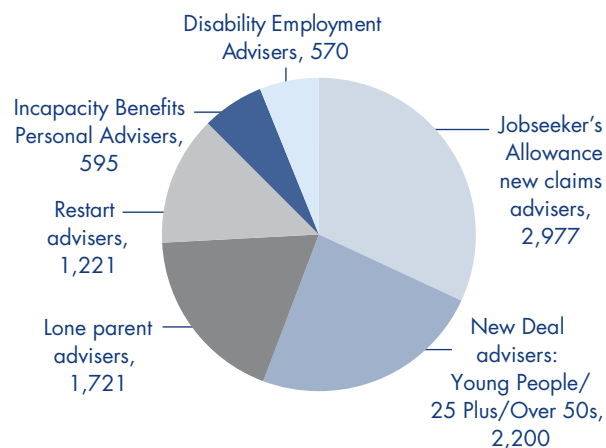
Why we examined Personal Advisers in Jobcentre Plus

2 This report looks at Jobcentre Plus' use of Personal Advisers, the processes and systems that support their work and those elements that detract from advisers' efficiency and effectiveness. We examined the role of Personal Adviser because:

- they play a key role in helping people off benefit and into work;
- they are critical for achieving the Government's long-term aim of increasing the proportion of people in work to 80 per cent, which will require many more of the harder-to-help (in particular, those on Incapacity Benefits) to enter employment;

- the Gershon Review has increased interest in the productive use of time as a lever to greater government efficiency; some 24 per cent of the gains to 2008 from the Government's Efficiency Programme are expected to come in this way;¹ and
- the importance of their role, including in helping older people and disabled people into work, has been identified in previous reports by the National Audit Office² and the Committee of Public Accounts.³

1 There are around 9,300 Personal Advisers



Source: Jobcentre Plus activity-based management information

NOTE

The number of advisers are estimated full time equivalents, averaged for the months April 2005 to February 2006. Jobcentre Plus' best estimate is a total of 9,285, which it reaches by deducting, from the totals it records as 'adviser', a percentage for administrative support staff and Adviser Managers (see paragraph 36).

1 *Progress in improving government efficiency*, HC 802-I, 2005-06.

2 *Welfare to work: Tackling the barriers to the employment of older people*, HC 1026, 2003-04; *Gaining and retaining a job: The Department for Work and Pensions' support for disabled people*, HC 455, 2005-06.

3 10th Report of the Committee of Public Accounts HC 439, 2004-05, *Welfare to Work: Tackling the barriers to the employment of older people*.

3 Unemployment in the United Kingdom is low by historical and international standards. Unemployment rates have been cut in half since the early-1990s to a level of 5.4 per cent as at April 2006, below the average for the Group of Seven industrialised nations (G7). Employment rates have risen over the past decade (**Figure 3**) to be fairly stable at around 74-75 per cent, and the United Kingdom currently has the highest employment rate in the G7.⁴

4 The United Kingdom's active labour market policies to raise employment levels are considered to have contributed to this performance and are regarded as successful by international standards. Similar programmes exist in many developed countries, in which unemployed people are commonly expected to: attend intensive interviews with employment counsellors; apply for suitable

job vacancies; independently look for work; formulate individual action plans; and participate in training programmes. Complying with these expectations is a condition of receiving benefit for most customers. In the United Kingdom, all jobseekers are required by statute to confirm every two weeks that they are actively looking for work, and certain categories of customer are required to take part in the New Deal programmes, which involve intensive job-searching and training.

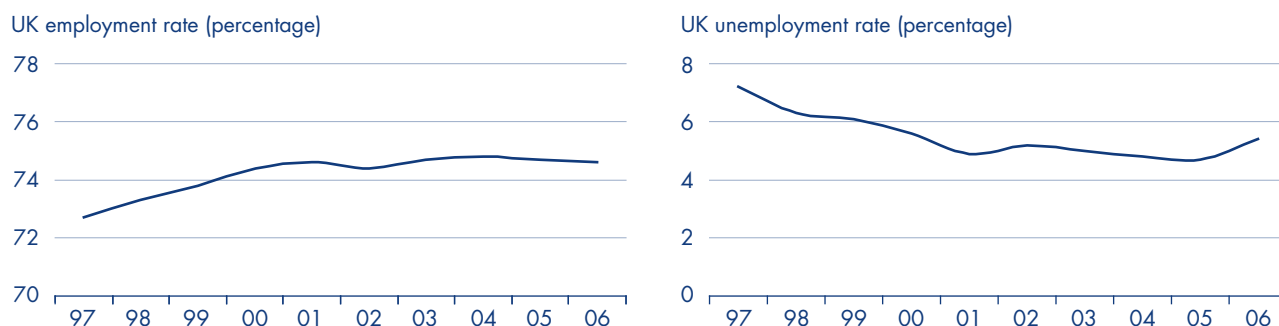
5 Statutory responsibility for supporting people seeking to enter or return to work rests with Jobcentre Plus. Jobcentre Plus (the Agency) is an executive agency of the Department for Work and Pensions (the Department). It provides help and advice on jobs and training for people who can work and financial help, in the form of welfare benefits, for those who cannot. It administers around £22 billion in benefits, has a total administrative budget of around £3 billion and currently employs 70,500 staff. There are currently an estimated 4.6 million people claiming a core working age benefit (Jobseeker's Allowance, Income Support or Incapacity Benefits), around 13 per cent of the working age population. Around 16,000 new claims for benefit are made every day, while another 4,000 people are helped into work.⁵ The Government has a long-term aspiration of achieving an 80 per cent employment rate.⁶ To achieve this, over one million people currently in receipt of benefit will have to move into work. The Government's goals include helping 300,000 lone parents into work, increasing the employment rate of older people, and reducing the number of claimants of Incapacity Benefits by over a third. Jobcentre Plus will have the key role in achieving this objective.

2 Jobcentre Plus Personal Advisers' key responsibilities

- Carry out diagnostic, work targeted interviews to help customers understand the benefits of working and agree a realistic course of action to gain or move them closer to sustainable employment.
- Help customers apply for appropriate jobs.
- Effectively/actively manage a caseload of customers.
- Develop and maintain partnership working with Jobcentre Plus colleagues and employers/relevant external organisations to improve and extend the range of support for customers.
- Help protect the integrity of the benefit system by making sure people fulfil their responsibilities and remain entitled to benefit.

Source: Department for Work and Pensions

3 Levels of employment have risen and levels of unemployment have fallen since 1997



Source: Office for National Statistics Labour Force Survey

NOTE

The graphs show the UK employment rate and the world-standardised (ILO) UK unemployment rate (in each year for the three months to May).

⁴ Unemployment and employment rates do not sum to 100 per cent because economically inactive people, such as disabled people and some lone parents, are not classified as either employed or unemployed.

⁵ Evidence to the Work and Pensions Committee, *The efficiency savings programme in Jobcentre Plus*, Second Report of 2005-06, HC 834-II.

⁶ Department for Work and Pensions (2005), *Five year strategy*.

6 The Work Focused Interview with a skilled Personal Adviser is a cornerstone of Jobcentre Plus' efforts to help people into work. In these interviews, Personal Advisers provide one-to-one support and guidance for customers. **Figure 4** summarises the process for seeking a job through Jobcentre Plus and shows where the interview fits into the overall process for looking for a job. Our recent report on *Delivering effective services through contact centres*⁷ covered the first two stages of the process.

7 Personal Advisers' interviews with new customers are scheduled in their diary by a contact centre. Customers who claim Jobseeker's Allowance and who enter one of the mandatory New Deal programmes (see Technical Appendix 1) will be added to the adviser's 'caseload', which involves regular interviews scheduled by the adviser. Beyond the mandatory interviews, advisers also have the discretion to put customers claiming Incapacity Benefits and lone parents on their personal caseload and arrange further interviews themselves. Caseload customers have more assistance from advisers, in the form of job-search support, regular phone calls and follow-up activities, and they see their adviser more often.

8 There have been improvements in the environment in which Personal Advisers interview customers. The processes and physical environment in which customers claim benefit and look for work have changed substantially for the better in recent years. Prior to the roll-out of Jobcentre Plus, signing-on involved waiting in long queues, and interviewing customers in uninspiring, impersonal surroundings. Jobseekers could only look at local vacancies displayed on notice boards containing rows of index cards. Jobcentre Plus offices are now more pleasant and open plan, queues have mostly been abolished in favour of timed appointments, and nationwide job vacancies are available to view on touchscreen terminals.

9 The change in the physical environment has been welcomed by both staff and customers. For example, over 80 per cent of Jobcentre Plus customers consider the office facilities pleasant and welcoming.⁸ However, we observed a potential lack of privacy during interviews in some offices, despite the fact that Jobcentre Plus offices have more private interview rooms. These private interview rooms are available for all types of interview, at the customer's request, but customers may have to wait for a room to be available. Customers may not always be aware that they have the option of a private interview.

10 Advisers play different roles depending, for example, on the amount of assistance customers require, their skill levels and their past employment history (Figure 5 on page 10). All people claiming Jobseeker's Allowance, and most people claiming Incapacity Benefit and Income Support, have initial Work Focused Interviews at the start of their claim (or, after eight weeks for Incapacity Benefit). Claimants must also attend Work Focused Interviews at predetermined intervals, depending on which benefit they receive, and all may be called back for further interviews at a later point in the lifetime of their claim (see Technical Appendix 1). In addition, customers may have a series of regular interviews with a Personal Adviser by either volunteering to join one of the New Deal programmes (for example, the New Deal for Lone Parents, New Deal for Disabled People or New Deal for Over 50s) or being required to join (for example, the New Deal for Young People or the New Deal 25 Plus). Previous National Audit Office reports have considered the specific roles of Disability Employment Advisers⁹ and Over 50s Advisers¹⁰; this report considers advisers in general.

11 Personal Advisers have a crucial role to play in assessing the different needs of customers and channelling them to the right type of assistance. This is important for delivering value for money because advisers try to ensure that customers are not given support that they do not need or that will not help them to find work. Jobcentre Plus has investigated the possibility of using statistical techniques to determine which customers require which type of assistance but has found no evidence that these approaches are more effective than allowing Personal Advisers to assess customers' needs.

12 The Personal Adviser model of offering one-to-one support and guidance has been adopted in both public sector benefits organisations and in private or voluntary sector organisations that work with the unemployed. There are some significant differences which make direct comparisons difficult. For example, Jobcentre Plus staff operate in a tight regulatory environment and are integral to the welfare benefits process. This introduces factors into the relationship with their customers that can cause tensions, such as their ability to impose sanctions. Advisers operating outside of Jobcentre Plus, who do not act as gatekeepers to benefits or enforcers of rules and regulations, do not have to deal with this effect.

⁷ Department for Work and Pensions: *Delivering effective services through contact centres*, HC 941, 2005-06.

⁸ I Sanderson, Y Fidler and P Wymer (2005), *Jobcentre Plus national customer satisfaction survey*, Department for Work and Pensions Research Report No. 282.

⁹ *Gaining and retaining a job: The Department for Work and Pensions' support for disabled people*, HC 455, 2005-06.

¹⁰ *Welfare to work: Tackling the barriers to the employment of older people*, HC 1026, 2003-04; Committee of Public Accounts, 10th Report of 2004-05, HC 439.

4 Customers must go through a multi-stage process when claiming benefit and looking for a job

1 The customer telephones Jobcentre Plus Direct

- The call is answered by a First Contact Officer. The Officer questions the customer to determine which benefit they should apply for (either Jobseeker's Allowance, Income Support, or Incapacity Benefit).
- The Officer arranges a time to call the customer back to take further details. This should normally be within 24 hours.
- The call lasts approximately ten minutes.

2 The First Contact Officer telephones the customer

- The Officer asks security questions to establish the customer's identity.
- The Officer asks the customer for all the information needed to complete their claim and fills in the application form on-screen.
- The Officer books the customer an appointment for a Work Focused Interview at the Jobcentre. This should normally be within four days.^{1, 2}
- The Officer advises the customer of the paperwork they need to take to the Jobcentre.
- The 'call back' lasts up to 45 minutes.

3 The customer gets a letter confirming their appointment

- The letter explains that the Work Focused Interview is a mandatory requirement.
- The letter is accompanied by a printout of the customer's application form details supplied to the First Contact Officer.
- The letter reminds the customer of the paperwork they need to take to the Jobcentre.
- The letter also reminds the customer to arrive before the scheduled interview time, as they will have a meeting with a Financial Assessor before their Work Focused Interview.

4 The customer sees a Financial Assessor first

- The Financial Assessor sees the customer before the Personal Adviser. The Assessor checks the paperwork the customer has brought in with them as evidence for their claim.
- The Financial Assessor also checks all the details of the claim on the application forms and the IT system (Customer Management System).
- The interview lasts for approximately 20 minutes.

5 The customer attends a Work Focused Interview with a Personal Adviser

- The Personal Adviser discusses the customer's work preferences, experience and skills. This information is used to create an action plan. The action plan is the core of the Jobseeker's Agreement.
- The customer and the Personal Adviser both sign up to the Jobseeker's Agreement.
- The Personal Adviser performs a jobsearch for the customer's preferred occupation, and may give the customer details of current vacancies.
- The interview lasts for approximately 40 minutes.^{2, 3}

6 The customer has to meet ongoing conditions for their claim

- Customers receiving Jobseeker's Allowance must attend a Fortnightly Jobsearch Review meeting every two weeks at the Jobcentre. This does not involve the Personal Adviser.
- At each Review meeting the customer must sign a declaration that they are still looking for work, and specify what jobseeking activity they have undertaken in the past fortnight.
- The Review meetings last approximately five to ten minutes.

Source: National Audit Office

NOTES

The process is shown for a typical Jobseeker's Allowance customer.






1 For emergency claims, the Work Focused Interview will be scheduled the same day or the next day.

2 For customers claiming Incapacity Benefit, the Work Focused Interview will be scheduled eight weeks after the initial claim date and lasts 60 minutes.

3 For lone parents claiming Income Support, the Work Focused Interview lasts 60 minutes.

5 Jobcentre Plus offers different levels of support tailored to customers' needs

Jobcentre Plus has a planned strategy for delivering services to customers through the channel that is most appropriate to them. The strategy is designed to offer a flexible modern service and also improve efficiency and target help where it is needed most. Personal Advisers play a key role in identifying the level of help each customer needs. Confident, motivated jobseekers are encouraged to use self-help channels such as the internet. By contrast, harder-to-help customers receive extensive face-to-face help from a Personal Adviser.

Customer situation and benefit status	Customer job-search approach	Interaction with Personal Adviser	Help needed
Customers with significant barriers to employment, e.g. long-term illness/lack of childcare. Claiming either Income Support (IS) or Incapacity Benefits (IB).	Find it difficult to look for a job until underlying barriers to employment are addressed, e.g. healthcare or childcare provision.	Mandatory interviews at certain key times. Customers may volunteer to take part in more regular interviews.	
Customers with poor employment history: either long-term unemployed or series of short Jobseeker's Allowance (JSA) claims alternating with short-term jobs.	Likely reliance on Jobcentre Plus channels and New Deal provision for finding a job, particularly adviser job-searches. Likely to need help to improve jobseeking skills.	Mandatory interviews at certain key times. Must join New Deal programme at 18 months (six months for under 25s). Early entry to New Deal is available if appropriate.	
Customers with good employment history, out of labour market for a while, e.g. parents returning to work. Claiming either JSA, IS or IB.	Job-search using a mixture of Jobcentre Plus and external channels, including jobpoints, Jobseeker Direct, newspapers and websites. May need training to update skills.	A mixture of mandatory and voluntary help from the Personal Adviser, depending on benefit claimed and customer need.	
Customers who have worked recently, e.g. made redundant. Short-term claimants of JSA.	Typically follow up job vacancy adverts from Jobcentre Plus and externally, including newspapers, websites and Jobseeker Direct.	Initial New Claim Interview. Advisers are encouraged to refer customers to external channels.	
People already working who wish to change jobs, e.g. professionally qualified individuals. Not claiming benefits.	Typically use networking, private recruitment agencies, third party websites and trade journals to find a new job.	None.	

Source: National Audit Office

13 Jobcentre Plus is working in a fast changing and demanding environment. The Government's Efficiency Programme aims to achieve efficiency gains of £21.5 billion a year by 2008. Jobcentre Plus has a challenging goal to reduce its overall number of staff by over 16,000 between March 2004 and March 2008 (although Personal Advisers should not be affected, see paragraph 33 below) and make savings of around £600 million a year from 2005 to 2008.¹¹ As part of this, departments and agencies are looking to increase the productive time staff spend on activities that are "integral to the delivery of improved front-line services".¹² As with any job, Personal Advisers also carry out non-core tasks during the working day but it is important that as much of an adviser's time as possible is spent with customers and that other tasks are reduced to a minimum or diverted to other staff. Recent organisational changes in Jobcentre Plus, such as the introduction of Customer Engagement Team Leaders and Diary/Administrative Support Officers, have been designed to maximise the productivity of Personal Advisers. Increases in productive time, however, must not come at the expense of the quality of customer service. For example, interviews should not be rushed in order to see more customers in a day.

Scope and methods of examination

14 If Jobcentre Plus is to deliver full value for money in using its resources, then its 9,300 Personal Advisers must be suitably skilled, and deployed efficiently and effectively in order to meet strategic objectives and customer needs. Advisers must have effective IT, and administrative, work-flow and time management systems in order to maximise their productivity. Targets and performance management should incentivise desired behaviours, reward good performance and help improve poor performance.

15 Jobcentre Plus recognises the need for improvements in adviser productivity, and the National Audit Office set out to examine the potential for further improvement. In particular, we examined:

- whether Personal Advisers are effective in helping people into work (Part 1);
- whether they are deployed and managed effectively (Part 2); and
- how business processes could be made more efficient (Part 3).

16 Our methodology included a range of both quantitative and qualitative methods (Technical Appendix 3), including a survey of 578 advisers (whom we estimate have 3,200 years' experience of advising between them), data collection from a further 661 advisers, visits to 11 Jobcentre Plus offices and a systematic review of published research. We also benchmarked the Jobcentre Plus approach against private and voluntary sector comparators and the Dutch equivalent of Jobcentre Plus.

¹¹ Jobcentre Plus (2005), *Annual report and accounts 2004-05*.

¹² Office of Government Commerce (2005), *Productive Time: Efficiency Programme – Measurement Guidance*.



Part 1: Whether Personal Advisers are effective in helping people into work

17 In assessing whether the Personal Adviser approach is effective, our audit questions were:

- are customers experiencing increased confidence and enhanced job-readiness, for example as a result of training programmes? (see paragraph 20);
- are customers satisfied with the service overall and with the targeted help for groups known to be disadvantaged in the labour market, for example disabled people, ethnic minority customers and older people? (see paragraphs 21 to 23);
- are people moving off benefits into work, are employment rates increasing and unemployment rates decreasing, and ultimately are reduced numbers claiming working age benefits? (see paragraphs 24 to 26); and
- are employers satisfied that Jobcentre Plus is able to help them to recruit the workforce they need? (see paragraphs 30 to 31).

18 We examined evidence to assess whether the use of Personal Advisers is effective. This includes: independent quantitative and qualitative research; Organisation for Economic Co-operation and Development international comparisons; customer surveys; and the views of comparable bodies.

The Personal Adviser approach is effective and well received by customers although it is very difficult to quantify precisely the extent to which they help people into work

19 International comparisons suggest that Personal Advisers have a positive impact. Unemployment in the United Kingdom is low by historical and international standards. Unemployment rates have fallen by over a half since the early-1990s and are now below the average for the Group of Seven industrialised nations (G7). Employment rates have risen over the past 12 years (Figure 3 on page 7), and the United Kingdom currently has the highest employment rate in the G7. Although it is not possible to say how much of this improvement is due to Personal Advisers specifically, as opposed to wider economic factors, international evidence suggests that active labour market policies, such as the United Kingdom's model using Personal Advisers, can significantly reduce unemployment.¹³ The Organisation for Economic Co-operation and Development found that the significant improvements in unemployment levels in the United Kingdom and other countries with similar policies are "closely related to the adoption of activation strategies".

20 Customers find the services that Personal Advisers provide are helpful in finding work. Independent qualitative evaluations of Jobcentre Plus programmes have noted the approachability and friendliness of advisers,¹⁴ which is believed to be a key factor in making

¹³ Organisation for Economic Co-operation and Development (2006), *OECD employment outlook: Boosting jobs and incomes*.

¹⁴ R Griffiths, S Durkin and A Mitchell (2006), *Evaluation of single provider Employment Zone extension*, Department for Work and Pensions Research Report No. 312.

customers feel listened to and respected. Evidence from customer research shows that Personal Advisers have a positive impact on customers who want to work, by raising their confidence, equipping them with improved job-seeking skills and encouraging and assisting with job applications.¹⁵ Customers value the personal interaction, particularly when they are able to see the same adviser regularly. Jobseekers first see an adviser at the start of their claim, then a 13-week review adviser and then a restart adviser. Jobcentre Plus endeavours to ensure that customers see the same adviser but this is not always possible. Customers who have joined a New Deal programme will see the same adviser each time, who may or may not be the same adviser who conducted their initial interview.

21 Personal Advisers are a central part of the overall service provided by Jobcentre Plus, with which customers are generally satisfied. The Agency's customer survey¹⁶ shows that overall 86 per cent of customers are satisfied. Greater levels of satisfaction were felt by lone parents (88 per cent) and Incapacity Benefits customers (88 per cent) compared to jobseekers (77 per cent). In particular, customers rate highly the staff with whom they come into contact, with 85 per cent of customers reporting staff provided the help they need, 80 per cent that staff had a good knowledge of the help available, and 92 per cent that they were friendly and polite.

22 **There are no significant variations in the service received by ethnic minority customers.** The ethnic minority employment rate in the United Kingdom is substantially lower than that of the white population, and narrowing this gap is a key objective for the Department for Work and Pensions. Research on ethnic minority customers' experiences has found they receive the same service from Jobcentre Plus as white customers. A recent survey of ethnic minority customers found very little evidence of significant differences in satisfaction levels as compared with white customers.¹⁷ In-depth customer interviews also found that the majority of ethnic minority customers reported they had been treated fairly, and satisfaction varied more by customer type (e.g. 18- to 24-year-old jobseeker versus lone

parent) than by ethnic group. The researchers found that Personal Advisers are highly valued by all groups, but some customers felt that advisers were always very busy, rushing through their appointments and failing to contact customers in between appointments.¹⁸

23 Jobcentre Plus has adopted a range of measures to promote race equality, under its Race Equality Scheme. In 2004, all Jobcentre Plus districts were required to undertake a range of actions under the Race Equality Scheme Challenge. This was supported by the Ethnic Minority Flexible Fund, which District Managers have used in order to enhance local provision to support ethnic minority employment.

24 **Independent quantitative research suggests that Personal Advisers have a positive impact.** Our analysis of over 40 research reports published between 2000 and 2006 on ways of working with unemployed people, including seven focusing solely on Personal Advisers, found consistent evidence that Work Focused Interviews with a Personal Adviser are associated with higher numbers leaving benefits. For example:

- the evidence is particularly strong for lone parent interviews, where eligibility for Work Focused Interview, controlling for other factors, increased the likelihood of leaving Income Support six months later by up to two percentage points,¹⁹ and participation in the New Deal for Lone Parents increased the likelihood of leaving Income Support by 14 percentage points;²⁰ and
- preliminary evidence also suggests that a similar effect is being achieved in the pilot Incapacity Benefits reforms, although the evidence gathered so far only relates to new claimants within seven pilot areas. Researchers found that participation in the Pathways to Work programme, controlling for other factors, increased the proportion of customers who were working 10.5 months later by nine percentage points, and reduced the proportion who were claiming Incapacity Benefits by eight percentage points.²¹

15 K McKenna, A Slater, J Steels and H Walton (2005), *Delivering the Jobcentre Plus vision: Qualitative research with staff and customers (phase 4)*, Department for Work and Pensions Research Report No. 253.

16 I Sanderson, Y Fidler and P Wymer (2005), *Jobcentre Plus national customer satisfaction survey*, Department for Work and Pensions Research Report No. 282.

17 J Johnson and Y Fidler (2006), *Jobcentre Plus customer satisfaction: Ethnic minority booster survey 2005*, Department for Work and Pensions Research Report No. 338.

18 M Hudson, H Barnes, K Ray and J Phillips (2006), *Ethnic minority perceptions and experiences of Jobcentre Plus*, Department for Work and Pensions Research Report No. 349.

19 G Knight and A Thomas (2006), *LPWFI and review meetings: Administrative data analyses and qualitative evidence*, Department for Work and Pensions Research Report No. 315.

20 P Dolton, J P Azevedo and J Smith (2006), *The econometric evaluation of New Deal for Lone Parents*, Department for Work and Pensions Research Report No. 356.

21 S Adam, C Emmerson, C Frayne and A Goodman (2006), *Early quantitative evidence on the impact of the Pathways to Work pilots*, Department for Work and Pensions Research Report No. 354.

25 However, it is very difficult to quantify the exact impact of Personal Advisers. This is because it is not possible to separate Personal Advisers out entirely from the overall system of which they are a part. For example, when a customer is involved in a New Deal programme and moves into work it is hard to identify how much they were helped by the New Deal training itself and how much specifically by their Personal Adviser. A further problem is that a proportion of the customers seen by Personal Advisers would have found work anyway without assistance (the 'deadweight' effect), which is extremely difficult to measure because it involves estimating what would have happened if they had not taken part in the programme.

26 The research is also constrained by a combination of statistical limitations, incomplete or unreliable administrative data, and the need to use proxy measures, for example, measuring exits from benefit as a proxy for moving into work, when the two are far from equivalent.²² Evaluating the effect of just one programme is difficult, as many areas have multiple pilots running simultaneously, making them hard to compare.

27 **Advisers from other organisations commented favourably on the ability of Personal Advisers.** The National Audit Office consulted a number of private and voluntary sector organisations who work with jobseekers, often under contract to Jobcentre Plus. They were generally positive and believe Personal Advisers have a wealth of knowledge, and are good at working in partnership with external providers. However, they were concerned that advisers had to work within significant constraints and bureaucracy. The particular concerns raised were mainly consistent with other evidence, for example, large amounts of form-filling, poor internal communications and lack of continuity of adviser. Some of the third parties voiced a perception that Jobcentre Plus advisers can only spend 10–15 minutes with each customer. This indicates there may be some confusion externally about the different roles of the Work Focused Interview with a Personal Adviser and the Fortnightly Jobsearch Review, as the average interview length with a Personal Adviser is 41 minutes.

Benchmarked organisations operate in a similar way to Jobcentre Plus, but with some significant differences which enable them to spend more time with customers

28 We chose three organisations to compare with Jobcentre Plus as another way of assessing the effectiveness of the current model of working. These were the Dutch equivalent of Jobcentre Plus (Centrum voor Werk en Inkomen); WorkDirections UK Ltd, a private company; and Tomorrow's People, a charitable organisation mostly working on government contracts (**Figure 6**). Our analysis highlighted that many of the features of the Jobcentre Plus approach are replicated within these other organisations, including regular one-to-one advice sessions, and practical support with job applications. The benchmarking also highlighted the following differences:

- on average, Jobcentre Plus staff appear to have a lower proportion of customer-facing time and contend with a higher administrative burden than their counterparts in the external organisations;
- the benchmarked organisations place more emphasis on outcome measures of performance, avoiding process targets for advisers;
- the private/charitable organisations prioritise building a relationship with the customer and gaining their trust, while the public services place a lot of emphasis on the customer's responsibility to find work and leave benefits; and
- advisers in non-government organisations have greater autonomy to experiment with different methods of helping the customer, outside a standard programme.

²² C Coleman and L Kennedy (2005), *Destination of benefit leavers 2004*, Department for Work and Pensions Research Report No. 244.

6 Benchmarking the advisory services of Jobcentre Plus

	Jobcentre Plus	Centrum voor Werk en Inkomen	WorkDirections UK Ltd	Tomorrow's People
Type of organisation	Government agency	Government agency	Private company	Charitable trust
Source of funding	Direct government funding by parent Department	Direct government funding by parent Department	Government contracts	Mostly government contracts, some business sponsorship
Number of advisers	9,300	600	250	100
Adviser starting salaries	£18,000	£16,700	£29,000	£18,300
Staff turnover	5-7 per cent for staff nationally	2 per cent	24 per cent	Retention rate described as 'controlled'
Number of interviews per adviser per week	28 per week	Unknown	50 to 60 per week (10-12 clients per day)	No set target; one day per week set aside for administration
Typical length of an interview	Between 20 and 60 minutes, depending on type of client	Initially 60 minutes, then 20 minutes (maximum three hours in total per client)	Between 30 and 60 minutes	Initially 60 minutes, then 30 minutes
Advisers' expected customer facing time	60 per cent	80 per cent	80-90 per cent	Expected that most adviser time is spent with client
Failed-to-attend rate	9-24 per cent (average 14 per cent)	15-20 per cent	9-10 per cent	'Only occurs occasionally'

We commissioned RAND Europe to examine three advisory organisations: the Centrum voor Werk en Inkomen (Centre for Work and Income) – the Dutch equivalent of Jobcentre Plus; WorkDirections, a private employment advice company; and Tomorrow's People, a charitable trust performing advice and outreach activities.

Lessons emerging from their report include:

- **Productivity.** All of the benchmarked organisations expect advisors to spend most of their time directly involved with customers – the anticipated rate is often around 80% or more.
- **Performance measurement.** The employment advice providers in the benchmarking study place an emphasis on outcome-based performance measures, rather than whether an interview takes a specific number of minutes or shows a specific action.
- **Constrained autonomy.** The autonomy of advisers is central to the advice processes of the private/charitable employment advice providers. Although the outcome targets are non-negotiable, advisers have freedom to explore new options for the clients and to plan their days.
- **Philosophy and culture.** In the private and charitable employment providers, advisers prioritise building respectful relationships with clients and gaining their trust. In the public agencies, advisers are restricted in how much time they can spend with clients, and the system places a lot of responsibility on the client to find gainful employment and leave the benefits system.
- **IT system.** One benchmarked organisation commented that improvements of the electronic filing and reporting system cut adviser administrative time by about 50 per cent.
- **Electronic channels.** One benchmarked organisation introduced an electronic primary processing system, and 44 per cent of intake registrations now occur online, which has reduced costs by the equivalent of 15 per cent of the total workforce.
- **Administrative support.** Two of the providers in the benchmarking study now employ a team of dedicated administrators to deal with all of the paper files, check appointments, and answer and direct incoming phone calls. This frees up personal adviser time to focus on customers.

Source: National Audit Office and RAND Europe

29 External employment organisations say adviser flexibility and autonomy is central to their success. The organisations investigated in our benchmarking exercise allow their advisers considerable discretion in what they can do to help someone into work. They work hard to develop trust with their customers, sometimes by placing emphasis on their role as an adviser rather than a part of the benefits system so as to distance themselves from the perception of coercion or sanctions. Jobcentre Plus Personal Advisers have more limited discretion about the nature of the support they offer as they need to fulfil statutory requirements, are expected to conform to a new standard operating model²³ and are an integral part of the benefits system with all the tensions this can bring to the customer-adviser relationship. Advisers for customers participating in the voluntary programmes (paragraph 10) are able to exercise a greater degree of discretion, whereas advisers for Jobseeker's Allowance customers have a more rigid process to follow. In addition, the Adviser Discretion Fund offers all Personal Advisers some degree of flexibility. The Fund allows advisers to spend up to £100, or higher amounts if they put forward a business case, for items necessary to overcome immediate barriers to taking up work.

Employers make extensive use of Jobcentre Plus but want more skilled applicants

30 Employers make considerable use of Jobcentre Plus to advertise their vacancies. In 2005-06, 39 per cent of all advertised job vacancies were advertised with Jobcentre Plus. The use of the Agency to advertise vacancies varies among different employment sectors, but all sectors advertise at least 29 per cent of vacancies in this way.²⁴ Vacancies advertised through Jobcentre Plus under-represent professional, higher paid jobs and over-represent lower skilled, lower paid jobs, which is in line with its customer base (Technical Appendix 1). Jobcentre Plus can also advise employers of the other possible means of recruitment available to them.

31 Jobcentre Plus' surveys indicate that employers are broadly satisfied with the performance of Jobcentre Plus as a whole. In the latest survey, 90 per cent were satisfied with its performance, including 53 per cent who were very satisfied.²⁵ Employers had high levels of satisfaction for the ease and efficiency of the service provided and the professionalism and helpfulness of the Agency but were less satisfied with the quality and number of candidates provided.

Part 2: Whether Jobcentre Plus deploys and manages Personal Advisers effectively

32 Personal Advisers are a major resource within Jobcentre Plus, in order to assess how well they are managed and deployed our audit questions were:

- does Jobcentre Plus have an understanding of staff numbers, location, activity and sickness absence, in order to develop and implement robust staffing plans? (see paragraphs 35 to 37);
- do staff have up-to-date skills and are they confident in their role? (see paragraphs 38 to 40);
- are targets for sickness absence levels met? (see paragraphs 42 and 43); and
- are there appropriate incentives and targets, as well as effective performance assessment? (see paragraphs 44 and 45).

Demand for Personal Advisers is expected to increase

33 Personal Advisers conduct an average of 28 interviews per week and have an average active caseload of 30–40 customers. Customers who are put on an adviser's caseload receive regular contact and extra support. Given evidence²⁶ showing that some customers experience rushed interviews and a lack of contact between interviews, and as there are long waits for an interview in some parts of the country, there is no reason to believe that there are too many advisers at present. The proportion of total departmental staff made up by Personal Advisers has increased over the last two years, in line with the Government's aim of ensuring that frontline staff are not adversely affected by planned headcount reductions.

34 Looking ahead, the changes to Incapacity Benefits proposed in the 2006 Welfare Reform Bill will have significant implications for the Personal Adviser role. By extending the requirement for Incapacity Benefits customers to attend Work Focused Interviews and also the frequency of interviews, the need for suitable Personal Adviser support will be substantially increased. Jobcentre Plus recognises that the welfare reform agenda will mean more face-to-face advisory time with customers to help them find work, especially those in the most disadvantaged groups. Some increased capacity can be

²³ The standard operating model requires all offices to follow a single prescribed end-to-end operational process for handling new claims.

²⁴ K Bunt, F McAndrew and A Kuechel (2006), *Jobcentre Plus employer (market view) survey 2005*, Department for Work and Pensions Research Report No. 372.

²⁵ FDS International (2006), *Jobcentre Plus Employer Outcome Survey 2005/06*, report for Jobcentre Plus.

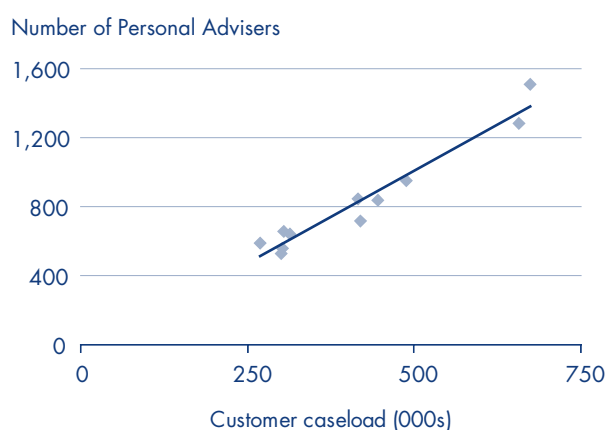
²⁶ M Hudson, H Barnes, K Ray and J Phillips (2006), *Ethnic minority perceptions and experiences of Jobcentre Plus*, Department for Work and Pensions Research Report No. 349.

met from existing resources as Jobcentre Plus rolls out its new advisory services team structure, but it will be a significant challenge to cope with the increased workload within the resources available. Jobcentre Plus will need to explore different solutions such as recruiting additional staff, further redeploying staff to the frontline, and altering the interview schedule to make interviews shorter or less frequent. Jobcentre Plus also expects to make greater use of private and voluntary sector capacity in implementing some of the initiatives in the reforms. Although the extra demand for adviser time is subject to future policy decisions, early indications are that Jobcentre Plus expects to outsource approximately two-thirds of any additional work generated by welfare reforms.²⁷

Jobcentre Plus is introducing new systems to improve its management information

35 It is essential that advisers are located where they are needed. Our analysis of Personal Adviser numbers by Government Office region (**Figure 7**) suggests they have been deployed to broadly match the demand of customer numbers. However, it has not been possible for us to analyse this reliably for smaller geographical areas owing to inconsistencies in the data.

7 The regional distribution of Personal Advisers is closely matched to customer caseload



Source: National Audit Office analysis of Department for Work and Pensions statistics

NOTE

The working age client group includes customers claiming Jobseeker's Allowance, Incapacity Benefit, Severe Disablement Allowance and Income Support. Caseload figures are stated at February 2006.

36 Jobcentre Plus' understanding of staff numbers is limited because national figures on Personal Adviser numbers include some administrative staff and managers. To arrive at a better approximation of the number of Personal Advisers, Jobcentre Plus has adjusted the headline figure downwards by 13.5 per cent. This is based on a detailed response from a small number of Jobcentre Plus offices, used to estimate the numbers of adviser managers and administrative staff who had been wrongly categorised as Personal Advisers and gives the rough estimate of 9,300 Personal Advisers. In addition, the Agency's systems do not allow it to know accurately how many of each type of Personal Adviser it employs – such as lone parent advisers, New Deal advisers and Incapacity Benefits advisers.

37 The Agency recognises the limitations of its current data and intends to introduce improved resource management systems to address the problem. When they are fully implemented the new systems should allow Jobcentre Plus management to know with greater accuracy the number, specialisms and costs of its Personal Advisers. The systems should be fully operational by the end of 2007.

38 Personal Advisers need to have the necessary skills to guide people and support them in looking for work.

Personal Advisers specialise in helping a particular group of customers and often have considerable knowledge of their associated benefits; for example, they may specialise in working with disabled customers or lone parents. We found that 45 per cent of advisers had more than five years' experience, and it was not uncommon to find someone who had been advising for more than 20 years. In total, the 578 advisers who responded to our survey had amassed some 3,200 years' collective experience of advising.

39 Jobcentre Plus Personal Advisers are encouraged to obtain qualifications in advice and guidance, for example, Level 3 or Level 4 National Vocational Qualifications. A new Adviser Skills Learning Routeway was introduced in September 2005 and a new adviser now receives a variety of training including classroom learning, e-learning, coaching and in-work consolidation. Evaluations of a similar pilot programme for specialist Incapacity Benefits Personal Advisers found it was effective but that implementation was patchy and therefore needed active monitoring at local level.²⁸ These findings were taken into account when the national programme was rolled out. A system of regular quality assessments

²⁷ Evidence to the Work and Pensions Committee, *Incapacity Benefits and Pathways to Work*, 3rd Report of 2005-06, HC 616-II.

²⁸ R James and D Booth (2005), *Getting maximum impact: An interim report on the redesign of skills training for Specialist Incapacity Benefit Personal Advisers and Pathways to Work Advisers*, Department for Work and Pensions, Psychologists' Report No. 1074.

of all Personal Advisers carried out by adviser managers is now in place, although at the time of our fieldwork managers found it difficult to fit them in because of time constraints. Jobcentre Plus expects the restructuring of its adviser management (see paragraph 46 below) and the introduction of a standard operating model will help to rectify this problem.

40 In our survey of advisers, 66 per cent of respondents reported they had received training within the last year, including 49 per cent within the last six months. An overwhelming majority (81 per cent) said the training was helpful. Many advisers are very experienced and may not need training every year, but 21 per cent of respondents said a lack of training was one of the main obstacles to carrying out the job to the best of their abilities.

41 **Personal advisers are satisfied with their work overall**, but are sometimes frustrated by the processes and systems in which they operate. Almost twice as many of the Personal Advisers we surveyed were satisfied with their jobs overall (45 per cent) than were dissatisfied (25 per cent). This compares favourably with satisfaction levels for staff across Jobcentre Plus as a whole, where a

2005 staff survey found that 37 per cent were satisfied and 42 per cent were dissatisfied. Personal Advisers told us that they derived job satisfaction from helping customers and disliked the factors that reduce their scope to do this, for example slow IT systems, excessive paperwork and limited availability of training for customers. A summary of the results of our survey is shown in **Figure 8**.

42 **Personal Advisers are often called upon to cover for absent staff** or perform other roles. The results of our 'one day log' show that, on average, staff shortages affect Personal Advisers' work eight times a week (see Technical Appendix 2). Personal Advisers reported that they were asked to cover for floor managers and handle general customer queries, as well as covering for other advisers. Staff absence because of leave or sickness is inevitable in any organisation and there will always be situations when Personal Advisers are asked to cover for others, particularly in smaller offices with fewer staff. However, it may be possible to reduce its impact through better diary management, using administrative staff to cover non-advisory work, and freeing up Personal Adviser time through reductions in paperwork.

8 Key findings of the National Audit Office survey of Personal Advisers

Positive responses

- 45 per cent of advisers we surveyed are satisfied with their job overall, while only 25 per cent are dissatisfied.
- 45 per cent of the advisers had over five years' experience.
- 66 per cent of advisers have received training within the last year.
- 81 per cent said the training was helpful.
- 78 per cent have active caseload sizes in line with the expected level (30–40 customers).

Less positive responses

- 35 per cent of advisers said their role had changed a lot in the last two years.
- 65 per cent consider that the changes have not made their jobs easier.
- 54 per cent said the changes had not improved the service to customers.
- 89 per cent of advisers said telephone disruption occurs daily.
- 75 per cent of advisers reported that the IT system was slow every week, including 47 per cent who said this was a daily problem.
- 75 per cent of advisers said customers failing to attend appointments was a daily problem.

Source: National Audit Office survey of Personal Advisers

NOTE

The National Audit Office conducted a postal survey of 924 Personal Advisers in randomly selected Jobcentre Plus offices and received 578 responses. For more details see Technical Appendix 3. The full results of the survey are available on our website at www.nao.org.uk.

43 In 2004, we reported on the management of sickness absence in the Department for Work and Pensions.²⁹ Since then, the Department has introduced revised attendance management policy and overall levels of sickness have come down from 12.6 average working days lost in 2003-04 to 10.4 days for 2005-06.³⁰ Jobcentre Plus does not have specific data on advisers because its current staff database analyses staff by grade not by function. However, the grade containing Personal Advisers has a lower absence rate (8.6 working days in 2005-06) than the overall Jobcentre Plus average (10.6 working days).

Jobcentre Plus is changing its performance measurement systems to reduce the burden on Personal Advisers but the new system involves some risks

44 Personal Advisers work towards a number of targets and benchmarks set nationally and locally. Jobcentre Plus is working to improve its target regime and to reduce the burden performance measurement places on Personal Advisers. It has broadly met its performance target for getting people into work in recent years. In April 2006, it adopted a Job Outcome Target as its primary performance measure, replacing the Job Entry Target (see Figure 9). The change was piloted in seven Jobcentre Plus districts and evaluation found it had reduced by 87 per cent the amount of time that was spent monitoring customers' movement into work.³¹ Previous National Audit Office reports³² have noted that Job Entry Targets might not encourage advisers to focus on harder-to-help customers. Jobcentre Plus believes that the new target approach will address this problem and advisers and managers we met were generally positive about the move to Job Outcome Targets.

45 Under the Job Outcome Target, the number of people moving off benefits and into work will be measured at a district level. However, it will not be possible to attribute job outcomes to individual offices or advisers. Jobcentre Plus has developed a set of alternative performance measures for Personal Advisers. These focus on inputs such as the content and quality of interviews and the actions taken by the adviser. This is a significant change to how Personal Advisers' performance

is measured and will need to be carefully managed so that it is effective. Job outcome data at a district level will also lag a number of months behind the current date. This raises challenges for the day-to-day management of Jobcentre Plus offices, making immediate reinforcement of good activity or remedial action for poorer performance harder to get right.

46 Management changes are also being introduced to try to improve performance. In the past, the management of Personal Advisers varied from office to office. In some areas Personal Advisers – graded as Band C (Executive Officers) – have been managed by Adviser Managers at the same pay grade with an additional responsibility allowance, whereas in other areas they were managed by Band D managers (Higher Executive Officers). From September 2006, Jobcentre Plus will replace all Band C managers with Band D managers, expecting that this will result in better management and increased productivity. The Agency estimates the cost of this change at less than £2 million a year, the precise amount depending on how many of the Band D managers are redeployments from elsewhere in the organisation and how many are promotions. Jobcentre Plus plans to carry out internal and external evaluations to identify any changes in performance and to measure the success of the new model.

9 Jobcentre Plus is changing its targets

Job Entry Target (JET) – Under the old system of Job Entry Targets, job entries were recorded and counted for performance purposes only if a job submission had been made and confirmation of the job start had been obtained from the employer. This target only measured customers entering jobs where the vacancy was advertised through Jobcentre Plus.

Job Outcome Target (JOT) – Job Outcome Targets measure all customers who move off benefits into work and also those customers who are not claiming benefits but obtain work through Jobcentre Plus intervention. Measurement is carried out through matching benefit records with tax records, so Personal Advisers need to spend less time recording the people they help into work. This target measures customers entering all jobs, not just those advertised through Jobcentre Plus.

Source: National Audit Office

²⁹ *Managing attendance in the Department for Work and Pensions*, HC 18, 2004-05.

³⁰ Department for Work and Pensions (2006), *Departmental Report 2006*.

³¹ J Frankham, L Payne, P Smith, D Sturman and R Willis (2006), *Evaluation of the Job Outcome Target pilots: quantitative study – final report*, Department for Work and Pensions Research Report No. 316.

³² *Welfare to Work: Tackling the barriers to the employment of older people*, HC 1026, 2003-04 and *Gaining and retaining a job: the Department for Work and Pensions' support for disabled people*, HC 455, 2005-06.

Part 3: Whether Jobcentre Plus could improve Personal Adviser productivity

47 The effectiveness of Personal Advisers depends on the extent to which they spend time advising customers and working on their behalf. Based on guidance from the Office of Government Commerce³³ our audit questions were:

- does Jobcentre Plus identify barriers to productive working and take action to deal with them? (paragraphs 48 to 50);
- are customers aware of their responsibilities as well as their rights? (paragraphs 51 to 54);
- do advisers make best use of IT systems? (paragraphs 55 to 57);
- have roles and responsibilities been streamlined and processes designed to ensure productivity? (paragraphs 58 to 66); and
- is Jobcentre Plus successful in communicating change, given the impact that developments across the organisation can have on Personal Adviser workloads? (paragraph 67).

Jobcentre Plus has identified potential productivity improvements so that advisers can spend more time with customers

48 Jobcentre Plus is working to increase the productivity of its Personal Advisers, that is the level of face-to-face time with customers. Whilst there are no nationally set benchmarks for the number of advisory interviews, each adviser is set an individual target based on their hours, working patterns, and the type of interview they carry out. The average length of an interview is 41 minutes³⁴ and advisers currently carry out 28 interviews a week. On that basis, Personal Advisers currently spend around 52 per cent of their working week carrying out interviews. Advisers spend the rest of their time on other tasks such as: training, performance monitoring, and completing necessary paperwork.

49 It is not possible for Personal Advisers to spend 100 per cent of their time carrying out interviews. However, our benchmarking exercise found that advisers working for the private sector employment organisation WorkDirections spend over 80 per cent of their time with customers. Jobcentre Plus recognises that advisers spend a considerable amount of time on non-customer-facing tasks, and to tackle this it is increasing the administrative support for advisers and changing its management structure (see paragraph 46). From 2006-07 Jobcentre

Plus is aiming to achieve an average of 35 interviews a week for a full-time adviser, up from the current average of 28. If Jobcentre Plus reaches its target of 35 interviews a week the level of adviser productivity would increase to around 65 per cent, a 13 percentage point increase, worth around £31 million in productive adviser time. The cost of introducing administrative support officers must be set against these productivity gains.

50 **A number of factors contribute to non-productive time.** We have identified a number of factors that limit the time advisers spend with customers. Some of these factors can be quantified, for example the effect of customers missing interviews, which is covered in paragraphs 51-54. On the evidence available it is not possible to break down the remaining non-productive time into separate costed chunks, but, based on our 'one day log' of advisers and visits to Jobcentre Plus offices, the principal reasons for it are listed in **Figure 10**.

10 There are other problems and tasks which use up Personal Adviser time in non-productive ways but which are harder to quantify

We have identified a number of barriers to Personal Advisers working effectively which, although they are difficult to quantify, are worthy of further investigation by Jobcentre Plus. These include:

- **Correcting contact centre errors** – Personal Advisers were concerned at the amount of time they spend correcting contact centre errors, including wrongly booked appointments or incorrect customer details. Re-entering customer details is an extremely time-consuming task, often taking 15 minutes or more. Jobcentre Plus does not keep national records of contact centre errors.
- **Diary management problems** – Advisers and Adviser Managers were frustrated by problems with the diary management system. Our fieldwork visits suggest that the extent of this problem varies from office to office but is a potential source of inefficiencies in the use of adviser time. The introduction of administrative support officers may alleviate this problem.
- **The Financial Assessor as bottleneck** – Linked to the diary management issue, we observed that Personal Advisers schedules were often affected by a shortage of Financial Assessors or by Financial Assessor interviews over-running. Jobcentre Plus has recognised this issue and has changed the management of Financial Assessors to improve the situation.
- **Late customers** – Customers turning up late for interviews can have a knock-on effect on advisers' diaries. Lateness is not systematically monitored to assess the extent of this problem, but our 'one day log' evidence suggests that on average one customer arrives late per adviser per day.

Source: National Audit Office

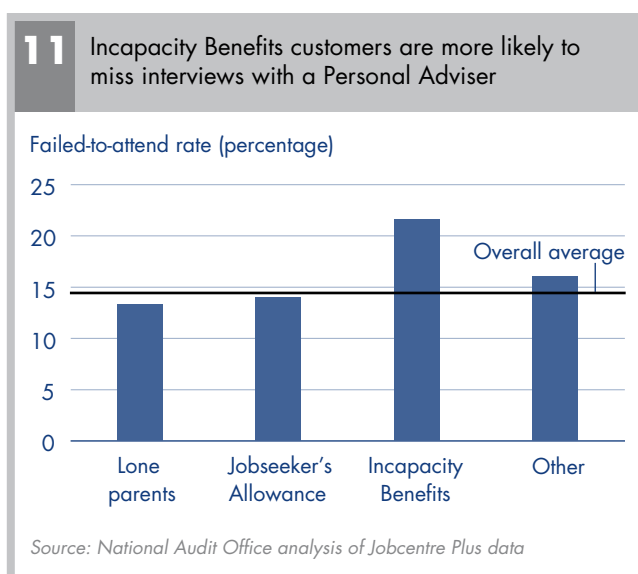
³³ See the National Audit Office report, *Progress in improving government efficiency*, HC 802-I, 2005-06.

³⁴ See Technical Appendix 4 for calculations.

Customers are often late for interviews or fail to turn up at all

51 Customers are often late for interviews or, for a variety of reasons, fail to turn up at all. During our visits to Jobcentre Plus offices we noted that common reasons for customers not attending interviews included: deciding not to pursue their claim any further, forgetting about their appointment, or having childcare problems or health issues. Incapacity Benefits claimants are considerably more likely than other claimants to miss interviews; their failed-to-attend rate is eight percentage points more than the average (see Figure 11).

52 In our survey, 75 per cent of Personal Advisers reported that customers failing to attend interviews was a daily problem, including 21 per cent who said customers failed to attend several times a day. Jobcentre Plus does not have reliable national data on failed-to-attend rates but, on the best available data, customers do not attend an estimated 14 per cent of scheduled interviews. This rate is similar to that experienced by the organisations included in our benchmarking exercise. For example, WorkDirections had an estimated failed-to-attend rate of 8–10 per cent, and the Centrum voor Werk en Inkomen in The Netherlands quoted 15–20 per cent. Failed-to-attend rates vary across the country, with those in Wales particularly low. Late attendance can be noted against the customer's record, but Jobcentre Plus does not have management information on the number of customers arriving late for interviews. Data collected from our 'one day log' suggests that, on average, one customer a day turns up late.



53 There are considerable costs associated with customers failing to attend interviews. In 2005-06 around 1.8 million scheduled interviews were not attended by customers, at an estimated cost of £16 million (see Technical Appendix 4). Missed interviews prevent advisers from carrying out their main role of working face-to-face with customers. However, advisers use this time to perform other tasks including completing paperwork, carrying out administrative tasks and telephoning customers on their caseload. They must also complete additional paperwork and update computer systems to record non-attendance and, where appropriate, begin sanctions processes.

54 Some missed interviews, particularly new claims, are caused by customers who have found a job. Others fail to attend even though they may miss out on benefits or face penalties as a result. If a customer does not attend a new claim interview for Jobseeker's Allowance or Income Support then their claim is disallowed and they will not start getting benefits. Existing customers are given a formal warning and five days to provide an explanation, showing if there was a good reason for missing the interview. Otherwise, sanctions may be applied, which for Jobseeker's Allowance customers means their benefit claim is terminated, while for Income Support customers they can lose up to 20 per cent of their benefit for every time they fail to attend.

55 **Jobcentre Plus' IT systems are critical in helping the Agency function.** As part of a wide-reaching modernisation programme, Jobcentre Plus has moved towards being a modern technology-enabled organisation. Employers can advertise their job vacancies on the Jobcentre Plus website, which provides an online searchable database of 400,000 jobs. Customers can search for jobs using touchscreen terminals in local offices or by telephoning the Jobseeker Direct helpline. Applications for benefit are now made over the telephone. The IT systems allow staff to access and update databases of customer records and perform complex better-off calculations. At the same time the IT systems keep records and information for management and statistical purposes. Personal Advisers use a number of IT systems including the Labour Market System (LMS) and the Customer Management System (CMS).

56 Personal Advisers we surveyed had some concerns that problems with IT systems could affect their productivity, but it is not their top concern. Some of the IT systems are over a decade old and this makes it more complicated and costly for Jobcentre Plus to carry out the regular changes it makes to keep the system up-to-date. When we asked advisers in our survey how often they experienced delays with IT, 75 per cent said that they had delays at least once a week, including 47 per cent who said delays occurred daily. In our 'one day log' exercise advisers reported 'the system is running slowly' on average ten times a week. However, Jobcentre Plus continually monitors the running time of its IT systems, and this monitoring has not found slow running to be a general problem. The difference between advisers' survey responses and the measured level of slow running may reflect the fact that advisers are heavily reliant on IT during customer interviews and may notice even a relatively low level of slow running. No IT system ever works perfectly all the time, and IT is not advisers' top concern – when we asked what were the two main changes that would help them work more effectively, only 17 per cent identified problems with the IT system, meaning that other issues are a higher priority for the majority of advisers. The timing of our fieldwork also coincided with some specific IT problems, particularly with CMS, which Jobcentre Plus has now tackled and which it believes will not happen again.

57 Many of the IT systems advisers use work well, but there is room for small scale improvements which would make advisers' work easier. Examples of areas for improvement include the fact that Personal Advisers and their managers cannot always print the information they want although limiting printing may, in some cases, be justified for security reasons. Personal Advisers and Adviser Managers reported that they found diary management cumbersome. We also observed that some fields must be re-keyed almost identically for every new customer. Changing the operation of IT systems can be very costly and it may be that incremental change to existing systems is more cost effective than introducing new systems. However, when considering changes to IT systems the potential time savings for Personal Advisers – and customers' experience during interviews – need to be taken into account.

58 Paperwork takes up a lot of time and could be simplified or delegated. Much of the manual completion of paperwork is a direct result of the inability of the IT systems to print out forms with the necessary details. On the basis of our 'one day log' data collection, we

estimate that full-time Personal Advisers complete a set of paperwork on average 19 times a week. We found that New Deal paperwork is particularly onerous and that there is no opportunity to resubmit a form with an altered date when a customer fails to turn up. Instead, the whole set of paperwork must be reissued.

59 Jobcentre Plus recognises that, whilst an element of administrative work is necessary and inevitable, some administrative tasks take advisers away from customer-facing activities. The new Diary/Administrative Support Officers are intended to provide all Personal Advisers with administrative support in order to maximise Personal Advisers' face-to-face time with customers. Jobcentre Plus intends that all offices will have Diary/Administrative Support Officers from September 2006. The role will involve: being the first point of contact for all incoming telephone enquiries to the adviser team, arranging Work Focused Interview appointments, managing diaries, maintaining records, and gathering and sharing customer information so that all mandatory interventions are booked on time.

60 This approach is similar to that in two of the benchmark organisations. WorkDirections has teams of dedicated administrative staff, leaving advisers free to spend up to 80 per cent of their time working with customers. Advisers in the Centrum voor Werk en Inkomen have secretarial support in most offices.³⁵ The introduction of a dedicated administrative function should enable advisers to spend their time on appropriate work-focused activities but will need careful introduction and clarity around the precise nature of the work advisers should delegate.

61 Interruptions are a regular occurrence during interviews. Personal Advisers reported that interruptions in person or by telephone had a big impact on their work, with 89 per cent saying they happen at least daily including 67 per cent, more than once a day. Interruptions are caused by customers phoning their adviser with a query, customers dropping in unexpectedly, and colleagues seeking advice or guidance. Not only do interruptions waste Personal Advisers' time and distract them from the flow of their interview, but they are also impolite to the person whose interview has been disrupted. The problem of telephone interruptions should be substantially reduced with the introduction of Diary/Administrative Support Officers who will answer telephone calls for advisers.

35 C Van Stolk, J Rubin and J Grant (2006), *Benchmarking the use of Personal Advisers in Jobcentre Plus*, report by RAND Europe for the National Audit Office.

Other parts of the benefits system affect Personal Advisers' productivity

62 Errors made by contact centres have a knock-on effect on Personal Advisers. Any errors on the system must be rectified, either by the Personal Advisor or the Financial Assessor. This is a repetitious and time consuming process. Jobcentre Plus uses Issue Logs to detail problems and encourage regular communication between frontline offices and contact centres to improve understanding and enhance contact centre performance.

63 If a contact centre fails to identify the customer's circumstances correctly they may book the wrong type of appointment. Where Personal Advisers perform a more specialist role this can result in a wasted slot for one adviser, while simultaneously putting extra pressure on another if they try to carry out an additional, unplanned interview. Jobcentre Plus does not measure nationally how many claimants' details are taken incorrectly or how many are wrongly advised which benefit to apply for³⁶ although we obtained records from two sites we visited which showed errors occurring several times a week (40 incidents in 17 days at one site, and 89 incidents in ten days at the other site). The large number of appointment types available – there are 158 interview types on the system, many of which are rarely used – contributes to the number of wrongly booked appointments.

64 Financial Assessor interviews can be a bottleneck. For new claims, customers must meet with a Financial Assessor for 20 minutes prior to their Work Focused Interview to confirm the details of the claim and to check evidence requirements are met. Financial Assessors see twice as many customers in a day as a Personal Adviser and the staffing ratio of New Claims Personal Advisers to Financial Assessors is usually two-to-one. The Financial Assessor may overrun because the customer turns up late, there are errors in the customer details recorded by the contact centre, paperwork is incorrect, or the case is particularly complicated. Delays occurring early in the day can affect subsequently scheduled interviews, causing the Personal Adviser to run late for the rest of the day.

65 The Financial Assessor role is currently under review following a pilot study. Proposed changes include replacing the scheduled 20 minute interview with a Financial Assessor at the start of a customer's claim with checks on identity, accuracy and completeness performed by a Claim Service Team Officer. These checks would not be booked in advance and customers would be seen on a first-come-first-served basis. Most of the responsibility

for checking claims and following up errors would be transferred to the Benefit Delivery Centre (formerly called the processing centre). These changes could potentially remove the bottleneck from the system, and should mean that Personal Advisers are able to concentrate more on labour market issues during Work Focused Interviews.

66 Concerns about benefits can preoccupy customers. Part 1 explained that Personal Advisers are an integral part of the benefits system and it is part of their job to ensure that customers are aware of their rights and responsibilities. The adviser's role includes some productive benefit-related work. For example, advisers have a responsibility to ensure that changes of circumstances are reported and to identify suspected fraud. However, advisers are also diverted from work-focused activity by customer benefit queries. Personal Advisers are the visible face of the Department and customers raise a wide range of problems or questions with them. As a result, a Personal Adviser may have to spend part of an interview chasing up the customer's claim rather than performing work-focused activity. Where a new claim has been delayed, the Personal Adviser may have to arrange an emergency payment. For Jobseeker's Allowance and some Income Support claimants, Financial Assessors deal with benefits issues for new claims, reducing the burden on Personal Advisers.

Personal Advisers operate in a changing environment

67 Jobcentre Plus is undergoing continuous reform so effective change management is essential. Jobcentre Plus operates within a challenging environment and the Agency is constantly changing to adapt. Continual reform can be difficult for staff to deal with and 65 per cent of the Personal Advisers we surveyed felt that recent changes have not made their jobs easier. Staff more widely indicated that they desire more effective communication and involvement in change programmes. Change and change management is challenging for all organisations but, in response to concerns amongst advisers about communication, Jobcentre Plus has taken steps to improve the quantity and quality of their communications and has introduced a process (known as the 'Strategic Gateway') that requires all change to be evaluated both for its impact on the whole organisation and for each specific job role, including Personal Advisers. This is particularly important because the work of Personal Advisers can be affected by developments elsewhere in the Agency, for example, by fluctuations in performance in contact centres.

36 Evidence to the Work and Pensions Committee, *The efficiency savings programme in Jobcentre Plus*, 2nd Report of 2005-06, HC 834-II.

Recommendations

Jobcentre Plus has already made improvements to Personal Adviser productivity. On the basis of our work we have identified a number of steps Jobcentre Plus could take to improve the productivity of Personal Advisers still further, and to provide a continuously improving quality of service to customers.

In the short term:

A The burden of paperwork is high and distracts advisers from their work with customers (paragraphs 58 to 60). The complexity of the benefits system is mirrored by the complexity of the supporting paperwork, all of which needs printing, ordering, storing and completing. Jobcentre Plus should carry out a systematic review of the current paperwork used by Personal Advisers, along the same lines as the review of leaflets in response to our report on communicating with the public.³⁷ This should identify paperwork that is unnecessary, could be simplified, or could be completed by non-advisory staff. Additionally, Jobcentre Plus should consider the burden its paperwork imposes on its service providers. Any savings made by reducing paperwork for providers should be shared between Jobcentre Plus and the providers. Examples of simple improvements include:

- reducing the need to write customer details on many forms, for example, for New Deal referrals. Advisers could use sticky labels with the customer's name, address and National Insurance number pre-printed on them – much as NHS hospitals do;
- using variation coversheets showing a change in date or time for a referral and replacing the need to complete a whole new set of paperwork; and
- reducing the number of forms by amalgamating similar ones, for example, the history of work forms (ES6JP and ES2JP) are almost the same for two age groups, the only difference being an additional question and some explanatory notes.

B Undertaking basic administration tasks is not a good use of Personal Adviser time and could be carried out by more junior staff (paragraphs 58 to 61). The role of the new Diary/Administrative Support Officers who are to assist advisers needs to be clearly articulated and implemented, in order to avoid differing local interpretations. We consider administrative support staff should:

- manage adviser diaries;
- answer telephone calls for advisers when they are interviewing;
- complete specified routine paperwork outside of interview time – such as Decision Maker referrals following missed interviews – and provider referral paperwork;
- collate specified data, e.g. for monitoring of targets; and
- build claim boards for new claims (which pull together basic customer details for local office record-keeping).

C Customers failing to attend interviews costs almost £16 million and rates vary widely across the country (paragraphs 51 to 54). Even though the gross cost is mitigated as advisers perform other functions in the lost interview time, failure to use an interview slot is still a missed opportunity to help someone find work. Jobcentre Plus should emphasise the responsibilities of customers to attend and apply sanctions when appropriate. The Agency should identify and share existing best practice in reducing failed-to-attend rates. This could be done by:

- highlighting the date and time of the Work Focused Interview in the letter sent by the contact centre, using a different colour paper so that this stands out from the other material, and being clear and unambiguous in the language used to tell customers that they are required to attend;
- scheduling appointments for non-Jobseeker's Allowance customers at appropriate times – for example, not after school hours for parents (except where the date of an interview is determined by legislation), and on a day when there is suitable local transport for rural customers;

³⁷ Department for Work and Pensions: *Using leaflets to communicate with the public about services and entitlements*, HC 797, 2005-06.

- reminding customers of impending appointments by telephone and/or text message, building on best practice elsewhere in the public sector, for example, for reminding customers of NHS appointments or court hearings.

In the longer term:

D Strategic plans need to be based on robust management information (paragraphs 35 to 37).

Jobcentre Plus should make better use of its locally available data to compile a complete national picture of the deployment of its advisers and which customer groups they serve, so that future plans will be based on accurate understanding.

E IT systems are fundamental to Personal Advisers' work, but advisers have some concerns about how well they operate (paragraphs 55 to 57). When the current IT systems are updated or replaced Jobcentre Plus should consider ways to maximise the productive time of Personal Advisers by emphasising ease of use, speed and flexibility. Future improvements could include:

- being able to cut and paste information from one screen to another;
- being able to print a wider range of screens;
- being able to work with more than one screen open; and
- having standard drop-down selections for routine activities, such as components of action plans or travel agreements.

F Personal Advisers are particularly vulnerable to an increasing burden of work elsewhere in the organisation (paragraph 67).

Contact centre and benefit processing performance, contracted providers and other government departments all impact on their ability to perform effectively in helping people into work. We recommend the Agency should reduce the number of changes it implements at any one time by concentrating on a smaller number of strategically important changes. Jobcentre Plus' new 'Strategic Gateway' for organisational changes is well-placed to enable this, but it should be evaluated to assess its effectiveness in limiting the extra workload placed on advisers.

As part of our examination we mapped out Jobcentre Plus' customer base and gathered information to give a picture of the programmes it administers and benefits it pays.

Key working age benefits

Benefit	Description	Number of recipients (000)	Annual expenditure (£ million)
Income Support	The means-tested 'safety net' benefit that guarantees a minimum level of income for customers who are not entitled to any of the other benefits.	930	9,137
Incapacity Benefits	For those who are sick or disabled – customers whom it would be unreasonable to require to look for work (but nonetheless may be capable of working). Includes Incapacity Benefit, which is contribution-based, and Severe Disablement Allowance, which was based on eligibility and has not been available to new claimants since 2001.	2,706	7,544
Jobseeker's Allowance	This benefit is paid to those who are actively looking for work. It can be either contribution-based or income-based.	969	2,289
Totals, for key working age benefits delivered by Jobcentre Plus		4,605	18,970

Source: Department for Work and Pensions statistics

NOTES

The number of recipients is stated at February 2006. Figures for Incapacity Benefits include customers receiving Incapacity Benefit payments and customers receiving Incapacity Benefit credits plus Severe Disablement Allowance payments. Figures for Income Support exclude customers already included under Incapacity Benefits.

The annual expenditure is the estimated outturn for the financial year 2005-06.

Key facts about the New Deal programmes

Programme	Customer group	Voluntary or mandatory	Number of participants to date (000)	Total cost of programme to date (£ million)
New Deal for Young People	18- to 24-year-olds unemployed for six months	Mandatory	1,050	2,703
New Deal 25 Plus	Over-25s unemployed for 18 months	Mandatory	620	1,346
New Deal for Lone Parents	Single parents claiming Income Support	Voluntary	680	460
New Deal for Disabled People	Unemployed people with a disability	Voluntary	200	282
New Deal for Over-50s	Over-50s unemployed for six months	Voluntary	70	54
New Deal for Partners	Spouses or partners of benefit claimants	Voluntary	5	58
Total for all New Deals			2,620	4,903

Source: National Audit Office analysis of Department for Work and Pensions statistics and expenditure data

NOTE

Programme participation numbers are cumulative for all years up to February 2006. Programme costs include the costs of administering the programmes and are cumulative for all years up to and including 2005-06. Actual administrative expenditure from 2003-04 onwards has not been accounted for separately by the individual New Deals; the figures shown are the Department's estimates.

The Secretary of State for Work and Pensions has powers, under the Welfare Reform and Pensions Act 1999, to make regulations which require attendance at a Work Focused

Interview as a condition of entitlement for certain benefits. Below are the principal requirements for key benefits administered by Jobcentre Plus, at the time of writing.

Requirement to attend a Work Focused Interview

Customers claiming Jobseeker’s Allowance

The initial New Claims Interview takes place at the beginning of the claim as a condition of entitlement.

Customers who are still looking for work 13 weeks after the initial claim date are required to attend another interview with a Personal Adviser.

If customers are still looking for work 26 weeks and 52 weeks after the initial claim date, they are required to attend ‘restart’ interviews with a Personal Adviser. Customers aged 18-24 must enter the mandatory New Deal for Young People programme.

If customers are still looking for work 18 months after the initial claim date, and are older than 24, then they must enter the mandatory New Deal 25 Plus programme.

Lone parents claiming Income Support¹

The initial Work Focused Interview takes place at the beginning of the claim as a condition of entitlement.

Lone parents are required to attend a second Work Focused Interview with a Personal Adviser six months later.

Lone parents are not required to look for work, but they must attend further Work Focused Interviews 12 months after their initial claim, and annually thereafter.

Customers may volunteer to enter the New Deal for Lone Parents. The Personal Adviser will then add them to their caseload and offer them ongoing help with any issues they encounter in their job-search.

Customers claiming Incapacity Benefits^{1, 2}

The initial Work Focused Interview takes place eight weeks after the start of the claim, if the customer is still claiming benefit.

Most customers must attend a second Work Focused Interview following their Personal Capability Assessment, which occurs 28 weeks after their initial claim.

Customers claiming Incapacity Benefits are not required to look for work, but they must attend a further Work Focused Interview whenever their situation changes, and at least once every 36 months.

Customers are offered training opportunities on a voluntary basis on a number of programmes, including the New Deal for Disabled People.

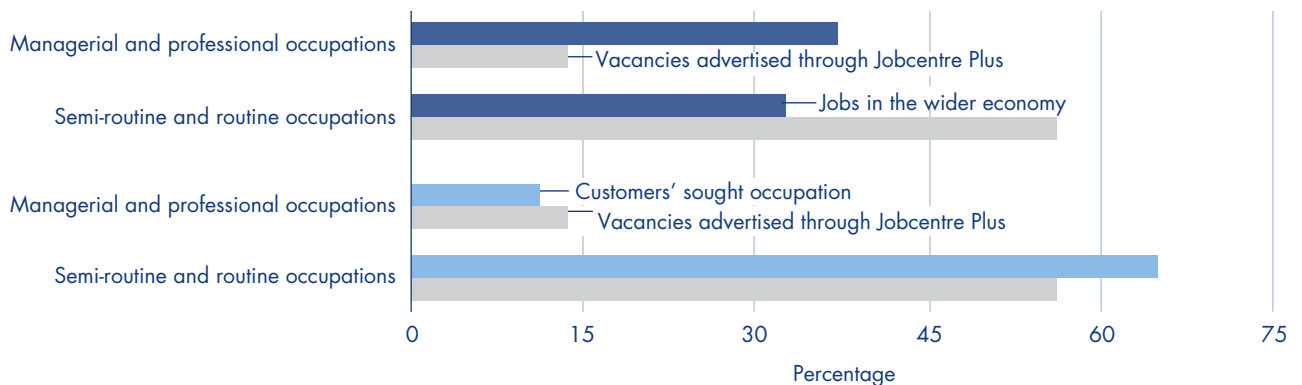
Source: National Audit Office

NOTES

- 1 Not all customers claiming Income Support or Incapacity Benefits must attend a Work Focused Interview. The Personal Adviser has the authority to defer an interview until a more appropriate time, or waive an interview if they consider it is inappropriate for the customer.
- 2 Certain areas of the country are piloting the ‘Pathways to Work’ programme where Incapacity Benefits customers follow a different process to that outlined here.

Jobcentre Plus vacancies reflect the Agency’s customer base rather than the wider job market

The graphs below show the proportion of occupations represented by the biggest two socioeconomic groups. Jobcentre Plus’ stock of vacancies is closely aligned with the skills of its customer base, which differs from national employment patterns.



Source: National Audit Office analysis of Jobcentre Plus statistics and Labour Force Survey data

NOTES

- 1 Data is for May 2006 analysed according to the National Statistics Socio-Economic Classification (NS-SEC) of occupationally-based groups.
- 2 ‘Managerial and professional occupations’ includes, for example, managers, doctors, teachers, lawyers, nurses, estate agents and Personal Advisers. ‘Semi-routine and routine occupations’ includes, for example, receptionists, telesales workers, caretakers, bar staff, cleaners and car park attendants.

We asked Personal Advisers to keep a record of the number of times certain events occurred in their day. We received completed logs from 661 advisers. The table below shows the total number of recorded incidents of each type from all advisers. The number of incidents per

adviser per week is given to make the results easier to compare with other information in the report. For example, the Personal Advisers in our sample said that their IT systems ran slowly an average of ten times per week.

Findings from the 'one day log' data collection

Number of Personal Adviser-days:	661
Number of interviews scheduled:	5,014
Number of interviews completed:	4,535 (7 per adviser per day)

Type of incident	Frequency recorded	Per adviser per week
Customer does not attend.	980	7
Customer is late for interview.	694	5
Staff absences/shortages.	1,757	13
Completing paperwork.	2,491	19
Problems with the job search database:		
a) Information on database is incorrect or not up-to-date.	190	1
b) Difficulties in finding jobs relevant to client.	466	4
c) Other e.g. <i>not enough jobs available</i> .	100	1
Problems with the IT system:		
a) The system is unavailable.	140	1
b) The system is running slowly.	1,318	10
c) I don't have the software I need.	63	0
d) I have to spend time switching between programmes	944	7
e) Other e.g. <i>system freezes (have to reboot)</i> .	193	1
Not enough local providers for customer demand.	577	4
Problems with the appointment booking system:		
a) Clients missing appointment deadlines (e.g. at 13 weeks etc).	80	1
b) Booking in appointments taking up too much time.	371	3
c) Other e.g. <i>problems with contact centre bookings</i> .	125	1
Other incidents e.g. <i>interruptions during interviews, administrative duties</i> .	1,245	9

Source: National Audit Office 'one day log' exercise

NOTE

The number of interviews completed does not equal the number of interviews scheduled minus the number of failures to attend, because advisers may also carry out interviews with customers who do not have an appointment.

1 We used a wide range of methods as part of our study. The main methods are detailed below.

2 In the early stages of the study, the National Audit Office study team reviewed a range of previously published evidence (see below under ‘Review of existing literature’). Taking into account the findings of the existing research, the team made a deliberate decision not to try and quantify the impact of Personal Advisers on the employment rate of customers. There were two reasons for this: firstly, as explained in Part 1, the body of existing literature consistently demonstrates that the adviser approach is effective in getting people into work, and we felt that any additional research we conducted would be superfluous; and secondly, as explained in paragraphs 25–26 of the report, there are many methodological difficulties involved in performing a rigorous quantitative measurement, meaning that such measurement would take a long time to complete at great cost. Instead, the team decided to accept the widely held view that Personal Advisers are an effective means of helping customers into work, and instead focus our study on practical barriers to the productive use of advisers.

Surveys of Personal Advisers and Adviser Managers

3 We surveyed Personal Advisers to find out about their attitudes to their work and any barriers getting in the way of them working effectively. The survey took place in April 2006. Because Jobcentre Plus does not hold a central list of Personal Advisers we drew our sample at office level and surveyed Personal Advisers in the selected offices. Sixty-four offices were selected randomly for inclusion in the survey from a list of all Jobcentre Plus offices with the exception that offices which were participating in other parts of our study – such as visits or the ‘one day log’ (see below) – were excluded. We sent 942 surveys by post, after telephoning each office to determine the number of surveys needed, from which we received 578 responses from advisers across all specialisms, a response rate of 61 per cent. Combined, these advisers had over 3,200 years of advising experience. The full results of the survey are available on our website at www.nao.org.uk.

We also included a similar survey for the Personal Adviser managers in the same offices, to get their perspective on the issues. We received 48 replies, a response rate of 75 per cent. Due to the small sample size, the results of this survey are not published but they were useful to inform our analysis of the issues.

‘One day log’

4 For a single day between March and May 2006 (depending when the request was received), we asked Personal Advisers to complete a log in which they recorded events that affected their ability to do their job. We asked them to keep a tally of the number of times certain events occurred, taken from a defined list based on our preliminary fieldwork and piloting. As with our survey, we sampled at office level, drawing a random sample from a list of all Jobcentre Plus offices (again excluding those involved in visits or the survey). We received 661 responses. However, uncertainty over the distribution – we sent the template by e-mail to the manager in each office – means that we do not know exactly how many advisers in each office had been given the survey to complete, so we cannot calculate an accurate response rate.

Benchmarking

5 We commissioned consultants (RAND Europe) to benchmark Jobcentre Plus Personal Advisers against three comparable organisations in order to compare practice and identify lessons for Jobcentre Plus. These were: the Centrum voor Werk en Inkomen (the Centre for Work and Income) – the Dutch equivalent of Jobcentre Plus; WorkDirections, a for-profit advisory organisation; and Tomorrow’s People, a not-for-profit advisory organisation. These organisations were chosen because they provide comparable employment advice but organise and deliver this advice differently. RAND compared these organisations on a number of criteria including: the context in which the organisation operates, costs and outcomes, adviser processes and roles, time use, and management support. This report is published separately and can be found on our website at www.nao.org.uk.

Visits to Jobcentre Plus offices

6 The study team visited 11 Jobcentre Plus offices to carry out qualitative interviews with district and office managers, adviser managers, Personal Advisers, and other staff. These visits allowed the team to collect valuable data on staff attitudes by interviewing a range of staff, and also to observe the workings of Jobcentre Plus offices. The offices we visited were selected to cover a range of area types including: urban and rural areas, different regions, different stages of Jobcentre Plus roll-out, and different types of customer. We also specifically visited offices which are considered by Jobcentre Plus to be either high-performing or low-performing. The offices were: Barnsbury; Blackburn; Bristol (Horfield); Brixton; Brixton Hill; Bury St Edmunds; Cardiff (Charles Street); Greenock; Huddersfield; Washington; and Telford. The study team interviewed 25 Personal Advisers and subsequently observed them working with customers, to gain an understanding of the advisory process and identify potential barriers to adviser performance.

Jobcentre Plus management

7 We held discussions with central Jobcentre Plus and Department for Work and Pensions officials to gain an understanding of the main issues affecting Personal Advisers and the strategic direction of Jobcentre Plus.

8 We analysed management information held by Jobcentre Plus including data on: failed-to-attend rates, staff numbers and costs, and numbers and types of interview. This data varied in quality and data quality issues are referred to in the relevant sections of the main report.

Review of existing literature and independent evaluations

9 The study team examined published accounts, annual reports, departmental research and policy papers. We performed a systematic review of the existing literature on Personal Advisers. Most of the research available has been commissioned by the Department for Work and Pensions but performed by independent academic researchers. This work allowed us to obtain a far richer and more detailed picture of developments with the use of Personal Advisers than we could obtain within the timescales of our own study.

10 We examined 23 evaluation reports published between 2000 and 2006 in detail, of which seven used quantitative methods, 15 used qualitative methods and one combined both approaches. The quantitative methods used by the researchers included structured face-to-face interviews with customers and analysis of administrative records and benefits data. The qualitative methods included focus groups, one-to-one depth interviews, observation of adviser interviews and reviews of existing literature. The individuals interviewed included customers, staff and providers. In addition to detailed examination of these 23 reports, we also reviewed the key findings of a further 17 reports. Only seven of these 40 reports focus solely on the role of Personal Advisers, the others are mainly evaluation of wider programmes, which feature Personal Advisers in terms of their contribution to the programme.

Third party consultation

11 We consulted a range of voluntary and private sector groups who are involved in employment advice. These included: the Papworth Trust, Tomorrow's People, WorkDirections and Working Links. We also sought views from the following members of Employment Related Services Association (ERSA): the Shaw Trust, Young Men's Christian Association (YMCA), Remploy Ltd, Royal National Institute for the Deaf (RNID), Break Through, Salvation Army, In Biz, and the National Employment Panel. Their views were important in helping us to form a view of the effectiveness of Jobcentre Plus Personal Advisers.

Previous NAO work

11 As well as undertaking new work for this study, we were able to draw on evidence from previous National Audit Office examinations which covered the activities of Personal Advisers. These were our reports on: *Gaining and retaining a job: the Department for Work and Pensions' support for disabled people* (HC 455, 2005-06) – which covered the role of Disability Employment Advisers – and *Welfare to work: Tackling the barriers to the employment of older people* (HC 1026, 2003-04), which included in-depth interviews with people who had used Personal Advisers.

We used Jobcentre Plus management information to estimate the proportion of adviser time which is currently spent interviewing customers and the how this proportion would rise if the target of 35 interviews per adviser per week is reached. Our calculations are described in detail below.

The average length of an interview

The average length of an interview was calculated as the average of the lengths of the different types of interview (such as Jobseeker's Allowance, lone parent, and Incapacity Benefits) weighted by the number of each interview which takes place. The interview length is the length of time booked for the interview in an adviser's diary as actual interview lengths vary considerably and are not systematically recorded. The durations for each interview type were supplied by Jobcentre Plus. The frequencies are from Jobcentre Plus' management information system.

Average length of interview 41 minutes

Proportion of time spent interviewing

In order to calculate the proportion of Personal Adviser time which is spent in interviews we multiplied the average length of an interview (41 minutes) by the number of interviews performed each week (currently, and if the target level were achieved). This was then converted into a proportion of the working week, based on a 37 hour week.

	Current Performance	Target Performance
Interviews per Adviser per week	28	35
Hours spent interviewing per week	19	24
Percentage of working week spent interviewing	52	65

The value of Jobcentre Plus' proposed productivity improvements

Total salary costs of employing Personal Advisers £238 million

The total cost of a Personal Adviser is based on Jobcentre Plus management information. It includes salaries, employer's superannuation and employer's National Insurance contributions. It does not include overhead costs.

In order to value the additional productive time that would result if Jobcentre Plus met its target of 35 interviews per adviser per week we multiplied the total cost of employing advisers (£238 million) by the proportion of adviser time that would become productive if the target were met. These calculations are shown below.

Current percentage of Adviser time spent interviewing 52 per cent

Target percentage of Adviser time spent interviewing 65 per cent

Increase in percentage of Adviser time spent interviewing if target is reached 13 percentage points

13 per cent of total Adviser salary costs £31 million

We used Jobcentre Plus management information to estimate the value of Personal Adviser time wasted by customers failing to attend interviews.

The cost of Personal Adviser time

Average cost of employing a Personal Adviser £25,642

The average cost of a Personal Adviser is based on Jobcentre Plus management information. It includes salaries, employer's superannuation and employer's National Insurance contributions. It does not include overhead costs.

Average cost of a single Personal Adviser minute £0.22

The average cost of a Personal Adviser minute is calculated on the basis of a 52 week year, with a 37 hour working week.

Time taken up by customers failing to attend scheduled interviews

Total number of failures to attend in 2005-06 1.8 million

Failed-to-attend rate (overall) 14 per cent

Lowest district failed-to-attend rate 9 per cent

Highest district failed-to-attend rate 24 per cent

The total number of failures to attend is based on Jobcentre Plus management information.

Average length of a missed interview 41 minutes

The average length of a missed interview is a weighted average based on the number of interviews of each type missed and the length of time each type of interview is allocated in the Jobcentre Plus diary management system. The length of a missed interview is very similar to the length of an attended interview.

Average cost of a single missed interview £9.11

The average cost of a single missed interview is the length of an average interview (41 minutes) multiplied by the cost of an adviser minute (£0.22).

Total cost of missed interviews in 2005-06 £16 million

This total cost of missed interviews is calculated by multiplying the average cost of a missed interview (£9.11) by the number of failures to attend in 2005-06 (1.8 million).