House of Commons
Scottish Affairs Committee

Jobcentre Plus closures in Scotland

Third Report of Session 2016–17

Report, together with formal minutes relating to the report

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The Scottish Affairs Committee

The Scottish Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Scotland Office (including (i) relations with the Scottish Parliament and (ii) administration and expenditure of the offices of the Advocate General for Scotland (but excluding individual cases and advice given within government by the Advocate General)).

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Publication

Committee reports are published on the Committee’s website and in print by Order of the House. Evidence relating to this report is published on the inquiry page of the Committee’s website.

Committee staff

The current staff of the Committee are Jyoti Chandola (Clerk), Peter Stam (Second Clerk), Edward Faulkner (Committee Specialist), Pansy Barrett (Senior Committee Assistant), Chloe Freeman (Committee Assistant), and George Perry (Media Officer).

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1 Introduction

1. On 7 December 2016, the Department for Work and Pensions (‘the Department’ or ‘DWP’) announced that eight of the 16 Jobcentre Plus offices in Glasgow were to be closed. This followed announcements in September 2016 of 18 Jobcentres throughout the UK moving or closing, October of nine and November of three. Alongside the Glasgow announcement the Government announced six other moves or closures and on 26 January 2017 the Department confirmed further closures throughout the UK to “streamline” the whole Jobcentre network. This was all part of a review of the Jobcentre and DWP estate across the UK with forecasted savings of around £180 million a year for the next 10 years.

2. On 8 February 2017 we held a one off evidence session to look into the planned closures of Jobcentre Plus offices and in particular the impact that this would have on Scottish communities and the economy. The session set out to scrutinise the Department’s reasoning and objectives behind its announcement to close eight Jobcentre Plus offices in Glasgow but also considered the wider UK announcements. The Committee heard from Ian Pope, PCS Union, and Stewart Malcolm McDonald MP, Member of Parliament for Glasgow South; Frank Mosson, Glasgow-Bridgeton Citizens Advice Bureau, Reverend Dr Martin Johnstone, Church of Scotland, and Carla McCormack, The Poverty Alliance; and Damian Hinds MP, Minister of State for Employment, Karen Gosden, and Susan Park, Department for Work and Pensions. We are grateful to all witnesses and those who engaged with the inquiry.
2 Coordination and communication of announcements

Timing of announcements

3. We announced our inquiry into Jobcentre Plus closures in Scotland in January 2017. At that time we had planned the session in response to the proposed closure of eight of the 16 Jobcentres in Glasgow. However, before that session could take place the Government made a further announcement that covered all remaining proposed Jobcentre closures through the UK. That announcement included:

- merging 78 smaller Jobcentre Plus offices;
- co-locating around 50 Jobcentre Plus offices with local authorities or other community services;
- closing 27 back office buildings; and
- utilising six regional corporate hubs, including establishing a new office in central Manchester.

These were in addition to the 36 proposed Jobcentre moves or closures announced before or with the Glasgow closures. Because some of the proposed closures were open for consultation, the Department for Work and Pensions did not confirm the precise number of Jobcentres that it would close, and has still not done so. Unions reported that it was likely to result in more than one in 10 locations in England, Wales and Scotland.

4. That timing of announcements—with Glasgow closures announced in early December and being the first announcement covering a city after a series of smaller announcements—gave rise to reports of Glasgow having been singled out or even used as a pilot for this policy. The SNP Trade Unions spokesman Chris Stephens MP stated that “these plans make Glasgow the guinea pig”. However, the Minister of State for Employment, Damian Hinds MP, firmly denied that the city had been used as a pilot, telling us that “there was a series of announcements when it was possible to move forward in particular areas. It is not the case that there was one exercise for Glasgow and then another exercise for the rest of the UK”. Karen Gosden, People and Locations Programme at the DWP, confirmed that, while it had been the Department’s intention “to announce city by city so that we could give a full picture”, it was “just pure coincidence that Glasgow was the first city where all of those negotiations were complete”.

4 Department for Work and Pensions, ‘New streamlined Jobcentre Plus network with more support for jobseekers’ [accessed 2 February 2017]
5 Department for Work and Pensions, ‘New streamlined Jobcentre Plus network with more support for jobseekers’ [accessed 2 February 2017]
6 The Guardian, ‘Jobcentre staff at risk amid plans to close one in 10 offices’, [accessed 6 April 2017]
7 The Daily Record, ‘Eight job centres to shut in Glasgow as Tories use Scotland as ‘guinea pig’ for callous cuts’, [accessed 6 April 2017]
8 BBC News, ‘Half Glasgow’s Jobcentre Plus services to close under DWP plans’, [accessed 6 April 2017]
9 Q115
10 Q120
The Minister explained that the overall policy was the result of the expiration of a Private Finance Initiative (PFI) contract which affected the whole DWP estate. This contract, known as the PRIME contract, is a PFI contract that covered “nearly all” of DWP buildings.\(^{11}\) The Minister told us that, because “it was public knowledge that this PFI contract was coming to an end”, there was “great interest” around the announcements about what would happen next. He therefore made the decision to announce the remaining closures “all on one day”.\(^{12}\) We discuss this contract in more detail later in this Report, it is the case, however, that the Department knew the date that this contract would expire nearly 20 years ago.

The timeline of announcements—with Glasgow Jobcentre closures announced in early December and changes to provision in other UK cities left until late January—was unfortunate and gave the impression that Glasgow may have been singled out or used as a pilot, even if that was not the case. The date of the expiry of the Private Finance Initiative contract known as PRIME (which was largely the catalyst for this policy) has been known since the contract was agreed twenty years ago. It is therefore unacceptable that the communication, announcements, and consultation about these closures appear to have been rushed and show a lack of planning on the part of the Department.

We recommend that the Government learns from the fact that it had to alter its communications strategy part way through this process, from a strategy of phased announcements to publishing the full list of closures only a few weeks after the Glasgow announcement. The Government should consider more carefully when a phased communication approach is or is not appropriate. As the Department learnt, there are considerable disadvantages to making incremental announcements about UK wide changes which stakeholders are already aware are coming.

Consultation with the Scottish Government

Although provision of Jobcentres remains reserved to the UK Government, the Scotland Act 2016 devolved new powers to the Scottish Parliament, including many in the area of social security. We took evidence separately on the transfer of these powers alongside the Scottish Parliament’s Social Security Committee. In our joint meetings we heard from officials of both Governments that there was a good working relationship between civil servants. Peter Searle, DWP, told us that:

> We know what our Governments want to achieve and we are asked at official level to work out the different ways of achieving that through changes in either UK or Scottish Government legislation or approach. We then take options and recommended—and, ideally, agreed—solutions to the ministers, and it is ultimately for them to decide.\(^ {13}\)

He concluded that it was likely that at times political issues would occur for which there would be “no perfect way through” but stated that “we will keep talking to each other to find a way”.\(^ {14}\)

\(^{11}\) Q141

\(^{12}\) Q119


9. We were therefore disappointed that the Scottish Government had not been consulted at all before the decision regarding Jobcentre Closures in Glasgow was made. The Minister for Employability and Training, Jamie Hepburn MSP, confirmed that he had found out about the closures “through the newspapers”. He went on to explain that this had led him to question how meaningful communication between the Governments had been:

Interaction is welcome, but it must be meaningful. Words are easy, and when I meet UK Government ministers face to face, I want us to have meaningful interaction. Hitherto, on certain aspects of the process, it is questionable how meaningful that interaction has been, and I am sure that the committee might want to reflect on how meaningful its interaction with the UK Government has been.

10. As well as criticism from the Scottish Government, there has also been criticism from the Scottish Parliament. On 8 February 2017, MSPs voted by 91 to 30 to voice “concern” about the impact of the closure of Jobcentre Plus sites across the country. The motion called on the DWP to “halt the closures to allow the Scottish Government to bring forward substantive co-location proposals to save these jobcentres”. That motion was opposed by 30 members of the Scottish Conservative and Unionist Party. However they proposed an amendment which agreed that there should have been more “meaningful dialogue between the DWP and the Scottish Government”.

11. When we questioned the UK Minister about why the UK Government had not consulted with or informed the Scottish Government about the announcement, he told the Committee that he “spoke with Scottish Government counterparts immediately before the announcement” on the “recent rounds” of Jobcentre closures. When we asked the Secretary of State for Work and Pensions whether he saw this as a failure in coordination, he told us that a “UK-wide programme that has gone on, with very satisfactory communications”. The Scottish Government Cabinet Secretary disagreed, she told us that the UK Government decision to close Jobcentres in Scotland without consulting the Scottish Government was “not in the spirit of the Smith Commission”. She explained that:

At the last meeting of the joint ministerial working group we agreed to bring forward, explore and discuss a joint operational working framework. That is good and positive, but it is after the horse has bolted, after significant announcements have been made about potential closures.

12. The Scotland Act 2016 transferred a range of welfare and social security powers to Scotland. We were pleased to hear that the UK and Scottish governments are working closely together to coordinate that devolution of powers. However, we are disappointed that, when making a decision on a closely related policy—the future of Jobcentres in Scotland—the UK Government did not seek or appear to take into account the wishes of the Scottish Government. Given that a large proportion of welfare policy was...
devolved in the Scotland Act 2016, we recommend that any future policy decisions which may have an impact on the way that social security is administered in Scotland must be taken in consultation with the Scottish Government.
3 Provision of Jobcentres

The expiration of the PRIME contract

13. When announcing the closure of Jobcentres throughout the UK, the Department stated that its policy was in line with the 2015 Spending Review. That review said that the DWP aimed to "occupy 20 per cent less estate nationally" and further expected to:

Become a smaller, more efficient department spending 22 per cent less on administration in real terms, 34 per cent less in real terms on technology and occupying 20 per cent less estate nationally.

14. Given that the Spending Review was published in November 2015, we asked the Minister why he had chosen now to make such radical changes to his Department’s estate. He explained that this was the first opportunity the Government had had to do so for nearly 20 years because the vast majority of the Department’s estate fell under a Private Finance Initiative (‘PFI’) contract known as the ‘Private Sector Resource Initiative for the Management of the Estate’ (‘PRIME’). The Minister told us that the PRIME contract was signed in 1998 and had “tied DWP in Scotland as in England and throughout the UK into what was quite a restrictive arrangement”. The PRIME contract will expire in March 2018, presenting what the Minister described as “a rare opportunity” to review the Department’s estate. He explained that:

What we are doing is seeking to make better use of buildings, make better use of facilities and put our resourcing—put Scottish and English and Welsh taxpayers’ money—into the things that we know make the biggest positive difference in helping people into work and then helping people progress at work.

15. The Minister also highlighted that, under the PRIME contract, the Department had operated a “number of buildings that were underutilised” but that he had not been able to close because of the restrictive nature of the contract. The Department stated that it had forecast it would save £180 million a year for the next 10 years and the Minister told us that this would happen “while maintaining a network of Jobcentres that had good coverage right across the UK”.

16. Ian Pope, PCS Union, agreed that the expiry of the PRIME contract represented an opportunity for the Department to consider its estate. However he was concerned that the Department’s objective to save money had come above providing a good service. He told us that the while the closures may save money, they would be disruptive to a large number of Jobcentre users and staff. He concluded that “you can’t play games with people’s lives..."
Jobcentre Plus closures in Scotland

Referring to the initial announcement of Jobcentre closures in Glasgow, he told us that the union was “arguing for these Jobcentres to remain open” because there was “no appropriate time to close half the Jobcentres in Glasgow”.

**Provision of Jobcentres in Glasgow**

17. The Minister told us that he had outlined clear criteria for the provision of Jobcentres across the UK. He told us that his fundamental goal for the Jobcentre network in “every city” was “to try to make them accessible to people [and] to have a reasonable and accessible network of Jobcentre outlets that people from across the city can come to”. The Minister wrote to us after the session to outline the four key criteria that he had instructed his officials to take into consideration when contemplating the future of Jobcentres:

1. Maintaining and improving customer service and performance;
2. making sure we can continue to implement our welfare reform changes;
3. managing any reductions in the numbers of people or changes to their work in an effective and supportive way; and
4. optimising the savings in estates costs.

The Minister told us that, when looking at Jobcentres in Glasgow specifically, he had been particularly interested in “potential co-locations, and acquisitions of new sites”.

18. We conclude that the Department has not met these criteria when proposing the closure of Jobcentres in Glasgow. We heard from witnesses that, while against the plan as it stood, many welcomed the opportunity to reconsider and improve Jobcentre provision in the city. Frank Mosson told us that Citizens Advice Scotland often operated close to Jobcentres, but he highlighted that there was no Jobcentre in the city centre. He concluded that users of Jobcentres could find a City Centre location more useful than the current proposal. However, having spoken to expert witnesses and the Department, we found that, rather than reviewing provision in the city from first principals, the Department only looked at provision using existing offices. In particular, we were surprised that, as a result of this first opportunity to reorganise the entire Jobcentre estate in 20 years, among a raft of closures and mergers, the Government has proposed to only open nine front-of-house Jobcentres across the whole of the UK, only one of which is in Scotland.

19. When the Minister and officials gave evidence to us, we sought to establish whether the Department had taken a fundamental look at how to provide the best coverage and service to Jobcentre users in Glasgow, or whether it had restricted itself to planning future provision based only on locations where there was an existing Jobcentre. We were disappointed when Karen Gosden, the lead official on this policy, told us that...

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31 Q21
32 Q21
33 Q130
34 Department for work and Pensions, supplementary evidence [JCP0001]
35 Department for work and Pensions, supplementary evidence [JCP0001]
36 For example Q45, Q47 & Q49
37 Q102
38 Department for work and Pensions, supplementary evidence [JCP0001]
the Department “needed to work with the Jobcentres that we had”. This appeared to contradict the Minister’s later evidence that the review of the estate was “a holistic view of the overall piece” and that the officials “did not have an instruction that 90 per cent of the estate must stay the same”. We wrote to the Minister and asked him to explain this point. We were not satisfied that his response clarified what ministerial instructions were given and how they had been interpreted by his officials. The Minister wrote that:

In larger conurbations such as Glasgow we also considered the area as a whole rather than just individual Jobcentres in existing locations.

Considering the city as a whole does little to allow for a true strategic view of provision if the Department’s hands were tied, as the Minister’s letter confirmed they were, by having an approach which was “across the whole programme […] to utilise existing sites”. It is unclear to us how this confirmation that the approach was to focus on existing sites fits with Minister’s instance during our session that officials took a “holistic” view and his claim that estate rationalisation was not given priority over customer convenience.

20. Ian Pope, from PCS Union, told us that the policy appeared to give no consideration to the existing transport infrastructure in Glasgow. Discussing the city’s bus network, he noted that the current routes are largely built on an arterial model—where buses go in and out of the city centre—but that the DWP proposals required users of Jobcentres to conduct a circular journey. He concluded that a fundamental weakness of the Department’s approach was that “people live out away from the Jobcentres. When they have done the calculation on Google Maps, it is from Jobcentre to Jobcentre”.

21. Decisions around Jobcentre provision in Glasgow did not appear to show a good level of local knowledge. The constituency MP for Glasgow South, Stewart Malcolm McDonald MP, told us that “how people physically move around the city to access the service, you cannot learn that from Google Maps. Nobody from the Department has bothered to go on a bus and work out how this happened”. Frank Mosson, Citizens Advice Bureau, agreed and told us that he was also concerned that the calculations conducted by the Department when considering distances and accessibility did not take into account specifics of the city. He concluded that “the difficulty is that unless you know the terrain and the territory, it becomes very difficult to see how it impacts on real people’s lives”.

22. We asked the Minister how the Department had made calculations around distances and accessibility. He told us the Department had “done some quite detailed analysis […] in terms of travel times”. Karen Gosden, DWP, confirmed this and told us that the Department consulted officials who lived and worked in Glasgow when making decisions about the city.

39 Q139
40 Q150
41 Q147
42 Department for work and Pensions, supplementary evidence [JCP0001]
43 Department for work and Pensions, supplementary evidence [JCP0001]
44 Q149
45 Q42
46 Q18
47 Q91
48 Q134
49 Q136
We started to bring together in each region and country senior operational colleagues, the Government Property Unit, and other related colleagues, to review how we might best take the opportunity of making better use of the space that we had and paying for less unused space. Those groups of operational people including the person responsible for Glasgow made recommendations of what they thought would be the right amount of estate for Scotland and indeed within that Glasgow.  

23. We note that the expiration of the PRIME contract represents the first opportunity in 20 years for the Department to consider how the Jobcentre estate can best be modernised to meet the needs of users and deliver value for money. We accept the Government’s argument that this is an opportunity to improve the Jobcentre network, both in terms of value for money and accessibility. What we have heard about the proposals for the closure of Jobcentres in Glasgow, however, represents a missed opportunity. There appears to have been a lack of strategic thinking about what Jobcentre provision could best serve the residents of Glasgow. The Department’s policies appear to have focused only on how many and where cuts in office numbers could be made and relied on existing Jobcentre locations regardless of whether, two decades on, they still deliver the right coverage. Given that this is the first opportunity for reform of the estate in 20 years, we are disappointed that this is the best the Government could produce.

24. When it came to the criteria used by the Department to make decisions on Jobcentre provision in Glasgow, we were especially dissatisfied with the confusing evidence provided by the Minister and his Department. When deciding on locations for Jobcentre offices in the city, we are still unclear whether the Department considered “holistically” or only looked at how to “utilise existing sites”. If it is the former, we are surprised that the Department has not chosen to open any new Jobcentres in Glasgow—in particular in the city centre which could allow for easier access from most regions of the city—and make more fundamental changes to the Jobcentre network in the city. If it is the latter, we can only conclude that the Government has demonstrated a disappointing lack of ambition or concern for the users of Jobcentres.

25. We recommend that the Department conducts a full and proper evaluation of Jobcentre provision in Glasgow. This must give proper consideration to the geography and transport infrastructure of the city. From the evidence that we have received, we specifically recommend that the Department considers the creation of a large Jobcentre in the City Centre with a small number of additional offices in those areas with poor transport connections to the centre. The Department should send us a copy of that study and inform us of its decision on the matter.
4 Impact on Jobcentre Plus users and staff

Consultations and the ministerial criteria

26. When announcing some of the proposed closures of Jobcentres, the Government also launched consultations to hear about how it would affect users, communities and staff of that Jobcentre. The Minister explained to us how he had selected whether or not to consult on a particular Jobcentre:

There is this thing called ministerial criteria, which is a measure that we have of what we think is a reasonable distance if you are moving facility, a Jobcentre, what is the reasonable distance between the one and the other to ask people to be able to change where they use without having a public consultation.51

27. The consultation documents clarified that the DWP considered it to be “a reasonable expectation that claimants travel to an office within three miles or 20 minutes by public transport of their existing jobcentre”.52 It confirmed that it had launched a consultation if the proposed “location for service delivery” of a closed Jobcentre breached either of these criteria (i.e. if people had been told to use Jobcentre more than three miles or 20 minutes away from their old one).53 The Department stated that this would “ensure that we take into account the impact of any closure before we make a final decision”.54

28. In the initial round of office closures in Glasgow, the Department conceded that three of the eight closures would result in new Jobcentres being more than three miles or 20 minutes away from the current Jobcentre. On 19 December 2016, the DWP therefore launched consultations on Bridgeton, Castlemilk and Maryhill jobcentres, but not on the reorganisation more widely.55 These consultations closed on 31 December. On 30 and 31 January, the Department announced the wider closures for the whole of the UK, and launched consultations on the proposed closure of 27 Jobcentres following the same criteria.56 These consultations closed on 28 February 2017.

29. Carla McCormack, Poverty Alliance, told us that the consultation process had been “massively unsatisfactory”. She explained that:

We do not feel there has been anywhere near enough effort to reach out to claimants in those Jobcentres and get their views. As well as an equality impact assessment, we would really like to see any decisions poverty-proofed to make sure that they are not impacting further on people in poverty.57

51 Q133
57 Q104
Frank Mosson, Citizens Advice, agreed. He told us that the Department had organised face-to-face consultations at the last minute and did not gather a full range of views before publishing its proposals:

There was absolutely no consultation and we had no idea that this was happening until we read it in the media. Afterwards, we were informed and we were invited to an event in the east but unfortunately we only had three days’ notice. We were able to attend but other stakeholder organisations obviously could not because only four other organisations could manage along on three days’ notice, which is not a lot of time.58

30. We asked the Minister if he felt that he had consulted widely enough. At the time the majority of consultations were open and he assured us that:

In fact there are some cases including in Scotland where something is just within those criteria but we thought because it is quite borderline and there is some other consideration, that it is the right thing to do to consult and we are doing that in those cases as well.59

31. Given that the closure of any local Jobcentre will have an impact on all users, staff and the surrounding community, we are disappointed that the Minister has only sought the views of the public on a select few number of proposed closures which breach arbitrary ‘ministerial criteria’. We recommend that the Government runs a proper consultation on the changes to the Jobcentre network as a whole, not just those individual Jobcentres which breach the ministerial criteria.

Online services replacing face-to-face contact

32. In December 2016, the Minister justified the extent of the closures of Jobcentres in Glasgow by stating that the claimant count had “dropped across the city” as well as a reduction in “the use of some of the smaller jobcentres”.60 At a later debate, in January 2017, the Parliamentary Under-Secretary of State for Welfare Delivery, Caroline Nokes, stated that the way claimants were engaging with Jobcentres was “changing in response to significant societal trends” and that the Department was continuing to “make the most of the opportunity technology brings and more services are moving online, reflecting that increase in digital capability and accessibility”.61 She went on to state that eight out of 10 claims for Jobseekers Allowance were now made using “digital channels” and that approximately 90 per cent of universal credit claims were made online.62

33. Frank Mosson, from Citizens Advice Scotland, told us about his concern that many of the services offered online could not replace face-to-face services and in particular that the Government had not taken into account the low level online access and computer literacy in areas of the city. He told us that:

58 Q105
59 Q133
Jobcentre Plus closures in Scotland

The Glasgow [Citizens Advice] Bureaux participated in a study in 2013: 950 people had a questionnaire and, of that, 70 per cent of the benefit claimants said that they needed help online. They would need help to complete a form.63

Citizens Advice Scotland had previously stated that many users of Jobcentres were not “able to use the internet as an alternative way to access services” and so will be affected by the closure of a physical office.64 The Minister acknowledged that there were Jobcentre users who needed assistance when using computers. He told us that those users could find assistance at their local Jobcentre:

It is one of the reasons we have invested in our Jobcentres having terminals. […] People can also bring in their own devices, and we have people who can help guide the claimant through what they need to do.65

We cannot help but conclude that is evidence for keeping Jobcentres open.

34. In August 2016, the Office for National Statistics reported that household internet access in Scotland was 87 per cent compared to 89 per cent across the whole of Great Britain. Although being only slightly behind the British average, this report did include the use of smartphones when considering access to the internet. We heard evidence that areas of Glasgow had relatively low IT and internet skills among those needing to use the online services.66 Stewart Malcolm McDonald MP, the MP for Glasgow South, argued that Glasgow was particularly affected by “digital exclusion” and that this was preventing people from using online Government services because 35 per cent of households in Glasgow South had no access to the internet.67

Vulnerable users of Jobcentres

35. Once claimants have started their application for Job Seekers Allowance online, they must attend an interview or meeting at their local Jobcentre.58 The Minister told us that those required to attend most regularly were “people who by definition on Job Seekers Allowance are available and ready to start work.”69 However, we received evidence that Jobcentre closures would have a disproportionate impact on the more vulnerable members of society. For example, Reverend Dr Johnstone, Church of Scotland, described the Jobcentre closures as a “moral issue”. He gave the following example:

I have a particular person who has spoken to me about her concern that if she has to go to a local Jobcentre, it means that it will take her an hour to get there and an hour to get back. She will have to drop off her three year-old at nursery before she goes. She will need to get to the Jobcentre. If she misses one bus she could be 35 or 40 minutes before the next one comes along. It will then take her an hour to get there, be at the Jobcentre, and then back.70

63 Q81
64 Citizens Advice Scotland, ‘Glasgow Jobcentre closures will ‘hit the most deprived people’’, [accessed 4 April 2017]
65 Q124
66 For example: OFCOM, ‘Scotland becomes a ‘smartphone society’ [accessed 6 April 2017]
67 Q17
69 Q89
70 Q62
Pauline Edmiston, vice convener of the Church and Society Council at the Church of Scotland summarised that:

These proposals will only make things harder. They are simply not acceptable. If the DWP has to make savings then that should not be about punishing the poorest in our society even more.71

36. Citizens Advice Scotland agreed. Frank Mosson told us that “if you have a vulnerable client with maybe mental health issues or anxiety issues” it is important for them “to be able to go round to the Jobcentre”.72 Citizens Advice has previously stated that “vulnerable people rely on the services that local Jobcentres provide” and that “many of those people are on very low incomes and simply cannot afford to travel long distances”.73

37. We have reported on the evidence from the Department that more of its services are available online so there is less demand for face-to-face meetings. Again, Citizens Advice Scotland argued that this discriminated against the poorest and more vulnerable users of the centres as those who had either a “lack of access or lack of skills” when it came to IT, “tend to be among the most deprived, and the most financially vulnerable. They rely on access to the face-to-face support that jobcentres provide”.74

38. When commenting on the initial closures in Glasgow, Poverty Alliance expressed “disappointment and frustration”:

The Jobcentres targeted for closure represent some of the city’s highest areas with deprivation, and making it more difficult for people in these areas to access social security benefits and employment support will just push them further into poverty.75

Carla McCormack concluded that Poverty Alliance would like to see an equality impact assessment for the policy. This is an assessment that the Government publishes prior to implementing a policy, which outlines the policy’s impact on equality.76 Stewart Malcolm McDonald MP stated that “I do not know if they will publish the equality impact assessment at any point”.77 The Minister confirmed that the Department would not be publishing any equality impact assessments until after the consultation period had closed.78

39. The Government has argued that the needs of users has been factored into the decision about Jobcentre closures. In answer to a question on the planned closures in Glasgow, Rt Hon David Lidington MP (standing in for the Prime Minister at Prime Minister’s Questions), said that:

The key element in any such decision that a Department has to make is not the raw number of offices there should be but how accessible the offices and the services they provide continue to be for the people who need to use them. I am absolutely confident that that criterion is at the heart of my

71 Church of Scotland, ‘Church condemns plans to close Job Centres’, [accessed 2 February 2017]
72 Q58
74 Citizens Advice Scotland, ‘Glasgow Jobcentre closures will hit the most deprived people’, [accessed 6 April 2017]
75 Poverty Alliance, ‘Glasgow Jobcentre Closures—another hurdle for jobseekers’, [accessed 2 February 2017]
77 Q54
78 Q133
right hon. Friend’s [the Secretary of State for Work and Pensions] thinking in planning for the future of offices in Scotland and everywhere else in the United Kingdom.\textsuperscript{79}

When giving evidence to us, the Minister, Damian Hinds MP, did acknowledge that, when it came to requiring people to attend Jobcentres for face-to-face contact, some people needed additional support including those with “certain disabilities, people with mental health barriers and others”.\textsuperscript{80} He conceded that there was “more that can be done working with partner organisations”.\textsuperscript{81}

40. \textit{We are particularly concerned that the Department may not have considered the needs of the most vulnerable members of society who rely on the facilities provided by Jobcentres. We recommend that the Government publishes equality impact assessments for each of the proposed closures before any firm decision is made. The Government should make use of the consultation responses when preparing these assessments.}

\textbf{Sanctions}

41. People are generally required to attend meetings and interviews with a work coach at their local Jobcentre in order to continue receiving welfare payments. The Government website states that, if they fail to attend (or are late to a meeting), claimants may be sanctioned. This means that benefits payments will “be stopped for between four weeks and 156 weeks (three years)”.\textsuperscript{82}

42. We heard evidence that the closures of Jobcentres would make it harder for people to attend meetings and may mean that more appointments are missed. We heard that this could lead to an increase in the number of people being sanctioned. For example, Poverty Alliance said that sanctions had “made accessing social security almost impossible for many people, particularly young people” because “applying for benefits is already a difficult and daunting process for many, and this is yet another hurdle for people to tackle”.\textsuperscript{83} Frank Mosson, manager of the Glasgow-Bridgeton Citizens Advice Bureau agreed and gave an example:

\begin{quote}
We have one client who said, “I would have to get two buses to Shettleston, which might mean that I was late to an appointment. I would be worried about sanctions”.
\end{quote}\textsuperscript{84}

43. Ian Pope, PCS Union, was clear that he expected the closure of Jobcentres in Glasgow to increase the number of people being sanctioned, stating that “there is no doubt […] this will increase the likelihood of people being late for appointments at the new Jobcentre”.\textsuperscript{85} The Director of Poverty Alliance, Peter Kelly argued that the Government should reconsider sanctions for lateness:

\begin{flushright}
\textsuperscript{79} House of Commons, ‘\textit{Questions to the Prime Minister: 7 December 2016}’, [accessed 2 February 2017]
\textsuperscript{80} Q153
\textsuperscript{81} Q153
\textsuperscript{82} Department for Work and Pensions, ‘\textit{What must I do to keep my benefit payment?}’, [accessed 2 January 2017]
\textsuperscript{83} Poverty Alliance, ‘\textit{Glasgow Jobcentre Closures—another hurdle for jobseekers}’, [accessed 6 April 2017]
\textsuperscript{84} Q70
\textsuperscript{85} Q42
\end{flushright}
We know that applying for benefits is already a difficult and daunting process for many, and this is yet another hurdle for people to tackle. If this is really not about reducing benefit take up by making it harder for people to apply, then the DWP should stop sanctioning people for lateness and build more flexibility into appointment times.\(^{86}\)

44. The Church of Scotland agreed that “for many people getting to their local Jobcentre is already very challenging” and that the closures would lead to more sanctions.\(^{87}\) It called on the UK Government to abandon the plans to close the Jobcentres in Glasgow, claiming that it would affect more than 74,000 people and that:

   For some of those affected, the plans could add an additional six miles onto the journey to sign-on and an additional one and a half hours to get there and back by bus.\(^{88}\)

45. When we asked the Minister if he expected the closure of Jobcentres to affect the number of people being sanctioned, he was optimistic:

   The number of sanctions across Great Britain has fallen quite substantially, so in the most recent complete 12-month period it is 55 per cent down across Great Britain.\(^{89}\)

He concluded that the DWP did “not anticipate sanctions arising from these Jobcentre changes”.\(^{90}\)

46. The Minister’s evidence that the number of sanctions would not rise as a result of the closures of Jobcentres throughout the UK does not correspond with the bulk of the evidence that we have received, in particular that the travel times between Jobcentres may be longer than estimated by the Department. We are concerned that, in the shorter-term, claimants who have been forced to change Jobcentres may find themselves late for—or missing—appointments due to that change in arrangements. We recommend that the Department sets out what mitigation will be in place for Jobcentre users who have had to change Jobcentres and for how long in order to reassure service users.

**Impact on staff**

47. In December, when the Department made its initial announcement regarding Glasgow Jobcentre closures, the Minister of State (Damian Hinds MP) was clear that there were “no planned job losses for the Jobcentre network in the city”.\(^{91}\) This promise did not, however, extend to the later announcement affecting the whole of the UK—although the DWP did say that “the vast majority of staff will have the option to relocate or offered alternative

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86 Poverty Alliance, ‘Glasgow Jobcentre Closures—another hurdle for jobseekers’, [accessed 6 April 2017]
87 Church of Scotland, ‘Church condemns plans to close Job Centres’, [accessed 2 January 2017]
88 Church of Scotland, ‘Church condemns plans to close Job Centres’, [accessed 2 January 2017]
89 Q163
90 Q163
roles”.92 The DWP official, Karen Gosden, stated that “we do not expect there to be any job losses” while her colleague Susan Parks told us the Department actually expected to be “increasing our number of colleagues in Jobcentres rather than reducing”.93\(^94\)

48. Despite that expectation, in a Parliamentary written answer the Minister admitted that in cases where “relocation and redeployment may be more difficult […] redundancies may be required”.95 We noted that it was quite possible for the Department to increase its headcount in some offices while enforcing redundancies in others. The Minister went on to state in that written answer that:

> It is not until this period of consultation is concluded that we will know exactly how many people may leave the Department as a result of these changes. Our current estimate is that this may be approximately 750 people, less than one per cent of the overall workforce.96

49. The PCS Union has reportedly stated that the policy would actually put ”thousands of staff jobs at risk”.97 For this reason, the union has positioned itself against the nationwide announcement of Jobcentre closures:

> We have pledged to oppose plans announced today to close more than one in 10 Jobcentres. The proposals put thousands of jobs at risk and would mean unemployed people having to travel further to get help getting back to work.98

Commenting specifically on the possibility of redundancies, Ian Pope, who sits on the DWP Group Executive Committee at the PCS Union, told us the union was particularly concerned for its members who work in rural and remote areas where relocation was less likely to be a viable option for Jobcentre workers. He told us that the PCS was aware of at least “one instance in Scotland with the announcement the other week in Cumnock, where 89 staff could be facing redundancy, because there are no redeployment opportunities in Ayrshire for them”.99 More generally, the PCS Union has stated that “ redeployment is likely to be more difficult” in some Jobcentre locations and that was likely to lead to forced redundancies:

> DWP has also acknowledged that there may be sites where exits are required, and potentially redundancies. PCS has pressed the Department for a guarantee of no compulsory redundancies, but the Department is not willing to give such a guarantee, however the Department is committed to taking all practical and reasonable steps to avoid compulsory redundancies.100

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92 Department for Work and Pensions, ‘New streamlined Jobcentre Plus network with more support for jobseekers’ [accessed 6 April 2017]
93 Q168
94 Q167
98 PCS Union, ‘We will oppose jobcentre cuts’, [accessed 2 February 2017]
99 Q44
100 PCS Union, ‘Office Closure Proposals Announcement’, [accessed 2 February 2017]
50. We asked the Department what support was being offered to staff. Karen Gosden explained that there were no relocation or redundancy packages as such because no final decision had been made about Jobcentre closures. She went on to explain, however, the support that the Department would offer those facing redundancy:

Every effort will be made, as we always do within DWP, to either move somebody entirely, with their work, to a new office. If that is not possible, we will then look for other relocation opportunities within the whole of DWP. If that is not possible, we then look if there are opportunities within other Government Departments.\(^{101}\)

51. While we understand that the Government has not yet published the result of its consultations, it is not acceptable that staff working in Jobcentres throughout the UK remain in the dark about whether or not their jobs are secure. We note the Department’s prediction that the number of people employed in Jobcentres will rise in the future, but we are disappointed that this may be at the same time as a programme of redundancies as a result of this policy. Now that all consultations are closed, we recommend that the Department publishes a clear statement about what expectations will be put on staff in terms of ability to relocate so that staff have clarity and more certainty about their future by the end of April. We also recommend that the Government works closely with unions and staff directly to provide adequate opportunities for retraining and support with relocation to those staff being asked to change roles or location as a result of this policy.
Conclusions and recommendations

Coordination and communication of announcements

1. The timeline of announcements—with Glasgow Jobcentre closures announced in early December with changes to provision in other UK cities left until late January—was unfortunate and gave the impression that Glasgow may have been singled out or used as a pilot, even if that was not the case. The date of the expiry of the Private Finance Initiative contract known as PRIME (which was largely the catalyst for this policy) has been known since the contract was agreed twenty years ago. It is therefore unacceptable that the communication, announcements, and consultation about these closures appear to have been rushed and show a lack of planning on the part of the Department. (Paragraph 6)

2. We recommend that the Government learns from the fact that it had to alter its communications strategy part way through this process, from a strategy of phased announcements to publishing the full list of closures only a few weeks after the Glasgow announcement. The Government should consider more carefully when a phased communication approach is or is not appropriate. As the Department learnt, there are considerable disadvantages to making incremental announcements about UK wide changes which stakeholders are already aware are coming. (Paragraph 7)

3. The Scotland Act 2016 transferred a range of welfare and social security powers to Scotland. We were pleased to hear that the UK and Scottish governments are working closely together to coordinate that devolution of powers. However, we are disappointed that, when making a decision on a closely related policy—the future of Jobcentres in Scotland—the UK Government did not seek or appear to take into account the wishes of the Scottish Government. (Paragraph 12)

4. Given that a large proportion of welfare policy was devolved in the Scotland Act 2016, we recommend that any future policy decisions which may have an impact on the way that social security is administered in Scotland must be taken in consultation with the Scottish Government. (Paragraph 12)

Provision of Jobcentres

5. We note that the expiration of the PRIME contract represents the first opportunity in 20 years for the Department to consider how the Jobcentre estate can best be modernised to meet the needs of users and deliver value for money. We accept the Government’s argument that this is an opportunity to improve the Jobcentre network, both in terms of value for money and accessibility. What we have heard about the proposals for the closure of Jobcentres in Glasgow, however, represents a missed opportunity. There appears to have been a lack of strategic thinking about what Jobcentre provision could best serve the residents of Glasgow. The Department’s policies appear to have focused only on how many and where cuts in office numbers could be made and relied on existing Jobcentre locations regardless of whether, two decades on, they still deliver the right coverage. Given that this is the first opportunity for reform of the estate in 20 years, we are disappointed that this is the best the Government could produce. (Paragraph 23)
6. When it came to the criteria used by the Department to make decisions on Jobcentre provision in Glasgow, we were especially dissatisfied with the confusing evidence provided by the Minister and his Department. When deciding on locations for Jobcentre offices in the city, we are still unclear whether the Department considered “holistically” or only looked at how to “utilise existing sites”. If it is the former, we are surprised that the Department has not chosen to open any new Jobcentres in Glasgow—in particular in the city centre which could allow for easier access from most regions of the city—and make more fundamental changes to the Jobcentre network in the city. If it is the latter, we can only conclude that the Government has demonstrated a disappointing lack of ambition or concern for the users of Jobcentres. (Paragraph 24)

7. We recommend that the Department conducts a full and proper evaluation of Jobcentre provision in Glasgow. This must give proper consideration to the geography and transport infrastructure of the city. From the evidence that we have received, we specifically recommend that the Department considers the creation of a large Jobcentre in the City Centre with a small number of additional offices in those areas with poor transport connections to the centre. The Department should send us a copy of that study and inform us of its decision on the matter. (Paragraph 25)

Impact on Jobcentre Plus users and staff

8. Given that the closure of any local Jobcentre will have an impact on all users, staff and the surrounding community, we are disappointed that the Minister has only sought the views of the public on a select few number of proposed closures which breach arbitrary ‘ministerial criteria’. We recommend that the Government runs a proper consultation on the changes to the Jobcentre network as a whole, not just those individual Jobcentres which breach the ministerial criteria. (Paragraph 31)

9. We are particularly concerned that the Department may not have considered the needs of the most vulnerable members of society who rely on the facilities provided by Jobcentres. We recommend that the Government publishes equality impact assessments for each of the proposed closures before any firm decision is made. The Government should make use of the consultation responses when preparing these assessments. (Paragraph 40)

10. The Minister’s evidence that the number of sanctions would not rise as a result of the closures of Jobcentres throughout the UK does not correspond with the bulk of the evidence that we have received, in particular that the travel times between Jobcentres may be longer than estimated by the Department. We are concerned that, in the shorter-term, claimants who have been forced to change Jobcentres may find themselves late for—or missing—appointments due to that change in arrangements. We recommend that the Department sets out what mitigation will be in place for Jobcentre users who have had to change Jobcentres and for how long in order to reassure service users. (Paragraph 46)

11. While we understand that the Government has not yet published the result of its consultations, it is not acceptable that staff working in Jobcentres throughout the UK remain in the dark about whether or not their jobs are secure. We note the Department’s prediction that the number of people employed in Jobcentres will rise in the future, but
we are disappointed that this may be at the same time as a programme of redundancies as a result of this policy. Now that all consultations are closed, we recommend that the Department publishes a clear statement about what expectations will be put on staff in terms of ability to relocate so that staff have clarity and more certainty about their future by the end of April. We also recommend that the Government works closely with unions and staff directly to provide adequate opportunities for retraining and support with relocation to those staff being asked to change roles or location as a result of this policy. (Paragraph 51)
Formal Minutes

Wednesday 19 April 2017

Members present:

Pete Wishart, in the Chair

Deidre Brock
Margaret Ferrier
Chris Law
Anna Soubry

Draft Report (Jobcentre Plus closures in Scotland), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 51 read and agreed to.

Resolved, That the Report be the Third Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available (Standing Order No. 134).

[The Committee adjourned.]
Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the inquiry publications page of the Committee’s website.

Wednesday 8 February 2017

Ian Pope, DWP Group Executive Committee, PCS Union, and Stewart Malcolm McDonald MP, Member of Parliament for Glasgow South  

Frank Mosson, Manager, Glasgow-Bridgeton Citizens Advice Bureau, Reverend Dr Martin Johnstone, Minister and Secretary of the Church and Society Council, Church of Scotland, and Carla McCormack, Policy and Parliamentary Officer, Poverty Alliance  

Damian Hinds MP, Minister of State for Employment, Karen Gosden, Director, People and Locations Programme, and Susan Park, Director of Work Services, Department for Work and Pensions

Publish written evidence

The following written evidence was received and can be viewed on the inquiry publications page of the Committee’s website.

JCP numbers are generated by the evidence processing system and so may not be complete

1 Department for Work and Pensions (JCP0001)
# List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the publications page of the Committee’s website.

The reference number of the Government’s response to each Report is printed in brackets after the HC printing number.

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