

THE UNIVERSAL WORK SERVICE

POLICY BRIEFING

WHAT IS THE UNIVERSAL WORK SERVICE?

The Universal Work Service is a proposed new public service designed to support both individuals and employers by offering integrated employment support, skills and careers services. It will replace the fragmented set of services which currently exist, including Jobcentre Plus, separate employment support programmes, adult skills funding, and the National Careers Service.

- The service will offer **universal access**, regardless of whether somebody is receiving benefits or not, or whether they are in work or out of work.
- Work Hubs will **replace Jobcentre Plus offices**, and high-quality digital resources will be available for people to use online.
- Responsibility for commissioning and delivering the service will be **devolved** to combined authorities or groups of councils in England, and to devolved governments in Scotland, Wales and Northern Ireland.
- By **integrating** services, coaches will be able to help people looking to move into work, stay in work, switch sectors, or learn new skills.
- The service will be designed to strengthen **two key types of relationship** in order to improve outcomes: relationships between citizens and coaches, and between citizens themselves.
- The service's design builds on **international examples**: some countries offer universal access, such as the United States, and other countries have employment support services which are devolved to regions or local areas, including the Netherlands, Denmark and Canada.

WHY IS THE UNIVERSAL WORK SERVICE NEEDED?

The current system isn't able to address the UK's economic challenges

- Since the pandemic there have been labour market shortages in the UK economy, partly due to older people stopping work due to ill health or early retirement. Jobcentre Plus only offers help to people receiving benefits, excluding many people not receiving benefits from support which could help them return to work.
- The UK has an ageing population, which means employment support for older people will become increasingly important. However, current services' outcomes for older people are worse than other age groups, suggesting change is needed given the UK's demographics.
- The transition to net zero and the increasing importance of automation and AI will bring disruption in some industries and new opportunities in others. But the current system isn't able to proactively address these challenges, because it is primarily reactive, offering support to people only after they lose their job.

The Universal Work Service can help address these challenges. By offering universal access, the service can support people not receiving benefits who are currently excluded, and by integrating services and encouraging partnership working, it can improve outcomes for older people. It will contribute to a 'preventative' approach, helping people adapt to economic and technological change by offering support to stay in work, learn new skills or switch sectors.

The current system is fragmented and centralised

- For individuals, a large number of different organisations offer employment support, including Jobcentres, local authorities, charities, housing associations and the NHS - but there isn't enough co-ordination between these organisations in local areas.
- Skills provision and careers services operate separately from employment support services.
- Employers may need to engage with a large number of different organisations when looking to recruit employees or help current staff gain new skills.
- The employment, skills and careers system is overly centralised: although there has been some devolution in recent years, most services are delivered or commissioned by central government departments. This means services don't always support local needs and priorities as effectively as they could.

The Universal Work Service will integrate employment support, skills and careers services, so that they work together toward shared outcomes. It will offer a clear single point of contact for both individuals and employers, regardless of what advice or support they need. Through devolution to local areas, the service will be more responsive to local needs and priorities, working in partnership with a range of local stakeholders to support local economic strategies as well as the government's Levelling Up missions.

The current system doesn't build strong relationships

- Trust in relationships between citizens and work coaches at Jobcentres is undermined due to the role Jobcentre work coaches have in administering benefits.
- Employment support services don't tend to emphasise strengthening people's social capital to help them find jobs.

The Universal Work Service will be designed to strengthen these relationships, increasing trust between service users and coaches by separating employment support from benefit administration, and increasing people's social capital through approaches such as mentoring, networking, peer groups and social prescribing.

WHAT EVIDENCE SHOWS THAT THE UNIVERSAL WORK SERVICE WILL IMPROVE OUTCOMES?

- **Strong relationships between citizens and coaches/advisers are vital for achieving good outcomes.** This is a consistent finding across evaluations of a wide variety of employment support services.
- **People's social capital helps them find jobs.** Between 30% and 70% of people say that their social connections helped them find their job, according to Demos's own polling and a large number of UK and international studies.
- **'Bridging' social capital helps people move into work.** Bridging social capital refers to relationships between people who are different from each other - for example, relationships between people out of work and people in work. One UK study found that for an individual out of work, having one more friend in employment increased their own chances of moving into work by 15%.
- **Improving integration and co-ordination can improve services.** For example, the Individual Placement and Support (IPS) approach has a strong evidence base which shows that integration of health services and employment support is effective for people with mental health conditions. In Manchester, the Working Well programme has encouraged different organisations to work together to support people more effectively.
- **A number of trials have delivered positive outcomes by taking innovative approaches to providing employment support.** For example, the Backr programme run by Participle and Hilary Cottam emphasised strengthening people's social capital and 'soft skills', and was positively evaluated by PwC. In Suffolk, an employment and skills programme called MyGo offered universal access to all young people, and 40% of users were not receiving benefits when they accessed the service.