# DEMOS

## OPENDOOR POLICY WHY THE NEW GOVERNMENT SHOULD INTRODUCE AN EMPLOYMENT ADVICE GUARANTEE

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**JULY 2024** 

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Any errors remain the author's responsibility.

#### **Andrew Phillips**

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## **ABOUT THIS REPORT**

This report is part of our *Citizen Economy* pillar of work at Demos. This pillar looks at how to align the interests of citizens and the economy.

We need to embed a 'citizen' mindset in all the institutions in our economy, putting our shared interests at the heart of decision making. Business, the state, regulators and markets will all need to be reformed to focus beyond their self-interest and to consider the wider needs of our society and economy. This is how we build a Citizen Economy.

As part of this pillar, we're looking at how to improve the support given to people in order to reduce economic inactivity and enable everyone to participate in the economy through an inclusive labour market. Good work provides both economic and social value, enabling people to participate in the economy and supporting people's financial security, health and wellbeing. Supporting as many people as possible to find, stay and progress in good jobs is therefore a key objective for policy makers.

Demos has previously set out proposals for a Universal Work Service, a public employment service open to all which would help us move towards a Citizen Economy. This report builds on our previous research by focusing on those who want to access employment advice, but are not currently able to do so as a result of restrictive eligibility rules or low awareness. At Demos we put people at the heart of policy making to create bold ideas and a more collaborative democracy. So in this research and policy project, we have explored the views and perspectives of citizens through a large-scale nationally representative survey, segmentation analysis and in-depth qualitative workshops.

# EXECUTIVE SUMMARY

Work is one of the most important parts of many people's lives. The decisions people make about starting a new job, changing careers or gaining new skills are consequential not just for individuals but also for businesses and the wider economy. The importance of these labour market decisions means that enabling more people to access employment-related advice, guidance and support would contribute to growing the size and productivity of the UK's workforce, to improving people's financial security today and in the future, and to achieving the new government's mission to 'kickstart economic growth'.

Labour committed in their manifesto to establishing "a national jobs and careers service, focused on getting people into work and helping them get on at work". This aligns with Demos's previous policy proposal that the government should establish a <u>Universal Work Service</u> - a public employment service designed to offer integrated employment support, skills and careers advice, with universal access for everyone. This research and policy report shows why establishing this new service should be a priority, and sets out the first steps the new government should take to create it.

## UP TO 9.7 MILLION PEOPLE ARE MISSING OUT ON ACCESSING CAREERS AND EMPLOYMENT ADVICE

Currently, too few people are able to access careers and employment advice. This report quantifies the scale of the 'employment advice gap' in the UK for the first time. This is the gap between the number of people who want to access employment advice, and the number of people who actually do so through one of our main public services. Using a sample of 4,000 people, nationally representative of the working-age population, we show that there is significant unmet demand for employment-related advice, guidance and support: one in three (36%) want to access careers and employment advice, but only one in seven (13%) have used a public service to get advice in the last two years. <u>The 'employment advice gap' is therefore</u> 23 percentage points, equivalent to 9.7 million people.

Although not everyone in this group will need to access advice, many will, and they are currently missing out. There are also several groups within the working-age population who are particularly likely to say they want to access employment advice, such as young people aged 18-24, people on 'non-standard' contracts (for example, zero-hours and temporary contracts), and people who are worried about their household finances. Given what we know about labour market experiences and outcomes, these are groups who would be likely to benefit from accessing employment advice.

## UP TO 2 MILLION PEOPLE OUT OF WORK WHO WANT TO GET A JOB ARE MISSING OUT ON ADVICE AND SUPPORT

Focusing more narrowly on people who are currently out of work, through our survey we also identify a significant 'back to work support gap'. We find that one in three (34%) of those currently out of work would like to start a new job, but only one in seven (14%) have accessed a public service to get advice or support in the last two years. The 'back to work support gap' is therefore 20 percentage points, equivalent to 2.1 million people currently out of work who want to start a new job but haven't accessed advice, guidance or support to help them.

## OUR SEGMENTATION ANALYSIS REVEALED THREE GROUPS WITHIN THE POPULATION WHO WOULD BENEFIT FROM ACCESSING EMPLOYMENT ADVICE

For this research project we also ran a segmentation analysis of our survey data, which grouped the workingage population into seven 'segments' based on their attitudes towards work and demographic characteristics. We identified three segments who have above-average levels of interest in accessing employment advice. In qualitative workshops we ran with people in these three segments, we heard many examples of people who wanted to return to work or progress in their career, but felt stuck because they didn't know where to go to get advice, guidance or support.

- 1. Working parents parents, the majority of whom are women, usually with younger children, who are looking for jobs which enable them to balance work and career objectives with family priorities
- 2. Looking for good work people both in and out of employment who are looking for better quality jobs, for example with a permanent contract, more hours or a job which is suitable if they have a health condition or disability
- **3. Cautious but open to change** workers who are potentially interested in starting a new job, but lack confidence and are worried about changing job/career

## ENABLING MORE PEOPLE TO ACCESS CAREERS ADVICE AND EMPLOYMENT SUPPORT CAN HELP GROW THE ECONOMY

The 'employment advice gap' and 'back to work support gap' matter for the economy because the UK is facing serious challenges with its labour force related to participation and productivity. The proportion of people in work today remains below pre-pandemic levels, while employers have 900,000 vacancies unfilled. In some sectors like construction, IT and manufacturing, employers report over 40% of vacancies being hard to fill because they can't find candidates with the required skills. At the same time, productivity growth has been weak in the UK since the 2007-08 financial crisis.

Enabling more people to access careers advice and employment support can help the new government boost economic growth by supporting more individuals to find a job, thereby increasing the size of the workforce. It can also help give people the confidence to get new skills and qualifications, and support people to change their job or industry, which can both play a role in increasing overall labour productivity.

#### MANY PEOPLE ARE NOT ABLE TO ACCESS OUR PUBLIC SERVICES TO GET EMPLOYMENT ADVICE

Elements of employment, skills and careers policy are devolved in Scotland, Wales and Northern Ireland, so in this report we focus on the situation in England. England has two main public services which offer careers and employment advice, but they do not currently meet people's needs. Jobcentre Plus only offers support to people receiving Universal Credit (or another benefit), excluding everyone else. The National Careers Service does in theory offer careers advice to all adults in England, but this is undermined by two issues. First, our survey shows that almost half (48%) of the working-age population have never heard of the National Careers Service. Second, two in three (64%) National Careers Service users find out about the service through Jobcentre Plus - essentially serving the same people twice, and not reaching the millions of people who aren't accessing advice at the moment.

The good news, however, is that when people do access one of these main public services, the majority find the service helpful. In our survey, 80% of National Careers Service users said they had found the service either 'very' or 'fairly' helpful, and this was also true of 67% of Jobcentre Plus users. This suggests it is likely that other people would also find using these and other relevant services helpful, if the government introduces reforms to make it easier to access advice.

### RECOMMENDATIONS: AN EMPLOYMENT ADVICE GUARANTEE AND A DIGITAL FRONT DOOR

In order to address the 'gaps' we identify, we make two overarching recommendations to ensure that the new government's 'national jobs and careers service' truly serves the needs of all citizens.

**RECOMMENDATION 1:** The new government should introduce an 'Employment Advice Guarantee' as an underlying design principle for the new national jobs and careers service. We recommend the Employment Advice Guarantee should have two parts:

#### The government guarantees that:

- a. If you want advice or support related to jobs, careers or work, you will be able to access it. This applies to everyone, whether you've currently got a job or not. This includes both online resources and the option of speaking to an adviser, either by video/telephone call or face-to-face, to talk about your situation and find out more about the options available to you. This could be advice on getting a job, staying in work or changing job or career.
- **b.** If you haven't currently got a job, you will be able to access additional advice or support, suited to your circumstances, to help you get a job.

The only eligibility criteria should be age (18 or older), the right to work in the UK and residency in England. The Employment Advice Guarantee should apply to England only, reflecting devolution in Scotland, Wales and Northern Ireland.

**RECOMMENDATION 2:** As a first step to delivering the Employment Advice Guarantee, the government should create a 'digital front door'. For the purposes of this report, we have given this 'digital front door' the placeholder name Jobs and Careers Service England. The aim of the front door should be to make it as easy as possible for people in England to access careers advice and employment support, a proposal which is also sometimes called a 'one stop shop'. In the medium term Jobs and Careers Service England should integrate digital and in-person services, but in the short term there are four reasons why we recommend starting with a digital version:

- It is rooted in what people actually want to use. In our survey and workshops, people told us that they wanted a digital and remote-access advice service as a priority. For example, people in the *Working parents* segment said that an online/remote-access service was important because it was more convenient for them when thinking about childcare responsibilities.
- A digital front door is inclusive and accessible to a greater number of people, including, for example, people in employment, people with caring responsibilities, people with health conditions or disabilities, and people living in rural areas.
- A 'front door' to existing services, programmes and organisations can help make better use of existing resources. A key role of Jobs and Careers Service England should be to refer people to existing advice/support relevant to them, whether through the website or through a conversation with an adviser. This might mean referring somebody to a specific programme, or to an adviser working for a Local Authority or a charity in their local community. This can ensure we make better use of existing collective capacity and can help smaller organisations by reducing the amount of time and money they need to spend on marketing.
- In a constrained fiscal environment, initially creating Jobs and Careers Service England as a 'digital front door' is cost-effective for the government. We recommend that the government should allocate £50 million to DWP to set up and run Jobs and Careers Service England for its first year. For comparison, the previous government allocated £580m for the Restart programme, £365m for Universal Support and £65m for WorkWell (costs in 2025/26).

Jobs and Careers Service England will be different to the existing National Careers Service in two important ways. First, its primary role will be as a 'front door' service, usually referring people to other provision rather than providing in-depth advice. Second, it should be given grant funding to ensure it avoids 'competing' with other services, instead of the Payment by Results mechanism used to fund the National Careers Service.

To encourage innovation, DWP should form a new multidisciplinary team to design and develop Jobs and Careers Service England, including colleagues from DWP, DfE and the Government Digital Service. The team should take a 'test and learn' approach to developing the website, learning from existing examples and working closely with Combined and Local Authorities (see the Annex to this report). In the short term, the team should be separate from the National Careers Service, although working with them and referring users to National Careers Service advisers as appropriate. The team should test different ways of marketing Jobs and Careers Service England as it scales up over time (through online advertising, physical leaflets, TV and radio adverts, and so on). In the medium term, the National Careers Service should be transferred from DfE to DWP and integrated into Jobs and Careers Service England. At this point, Jobs and Careers Service England would also become responsible for overseeing the provision of advice in community-based physical locations (such as hubs, libraries, community centres and Jobcentres).

#### Jobs and Careers Service England could:

- Offer the opportunity to speak to an adviser by video, telephone or webchat
- Help people find other advice/support options near them, for example through a signposting tool 'What advice and support is available near me?'
- Host digital guides and tools to provide advice online
- Have a chatbot to more effectively guide citizens to relevant support materials and opportunities (subject to testing to ensure it is helpful and accurate)

Creating Jobs and Careers Service England as a digital front door is the first step the new government should take on the agenda of providing universal access to careers advice and employment support. If the government does this, it can close the 'employment advice gap' and boost workforce participation, productivity and economic growth.

# RESEARCH METHODOLOGY

In this section we outline the key terms, areas of focus and methods used in this report.

In this report, we use the phrases 'employment advice', 'careers advice and employment support' or 'advice and support' to refer broadly to any type of work-related advice, guidance or support. This includes advice for people who are in work and out of work, such as advice related to starting a new job, switching jobs, switching industries or careers, progression, longer-term career planning, and skills and qualifications. Although 'careers advice' and 'employment support' imply slightly different kinds of service, this report focuses on the perspectives of citizens who want to access work-related advice or support, who tend to see these services as closely connected, which is why we grouped them together. Our definition does *not* include the kinds of routine advice or support that employers may offer to their employees, for example a line manager offering advice about how to complete a particular task or giving management support related to short-term illness.

During our research we focused on the role of central, devolved and local government in providing careers advice and employment support to citizens who want to access it, whether in the form of government-run or government-funded services. We did include some research on the potential role of other actors such as employers, private sector companies and charities, but we chose to look primarily at the role of public services in offering employment advice.

Geographically, our survey was representative of the whole of the UK, including asking respondents about the different careers advice services in England, Scotland, Wales and Northern Ireland. Among our workshop participants, 17 live in England, two in Wales and one in Scotland. However, our policy recommendations focus on England only, recognising the different policy contexts in Scotland, Wales and Northern Ireland.

This report is primarily about labour supply, rather than labour demand: the latter is also crucial, but it is not the main focus of this report. However, ensuring that, for example, advisers can provide high-quality advice to people partly depends on being aware of labour market demand for different jobs, industries and skills/ qualifications, so bringing supply and demand together is essential.

#### In this research project, we used the following methods and sources:

- An evidence review of previous research that has explored citizens' experiences and perspectives about careers advice and employment support.
- An original survey of 4,000 UK adults aged 18 to 67, commissioned and written by Demos and conducted by Opinium in February 2024. Survey results were weighted to be nationally representative of this age group. We chose 67 as our upper bound for the age range as this will become the new State Pension Age between 2026 and 2028. We did not include 16- and 17-year-olds since a clear majority of this age group will be able to access some careers/employment advice via their school or college. For ease, we refer to the 18-67 age range in our survey as the 'working-age population'. However, we acknowledge that this is slightly different to the normal definition of the working-age population which is currently 16-65.
- A segmentation analysis, commissioned by Demos and conducted by SigDiff. This analysis grouped the survey respondents into eight segments, to understand more about which groups in the population are interested in accessing employment advice. (We have presented seven segments in this report, combining

two of the segments into one.) For the segmentation, we excluded full-time students (defined as those who said they were not working mainly because they were in education or training). The segmentation was primarily attitudinal but also included some demographic questions as well. The questions used for the segmentation were:

- How satisfied are you with your current employment status?
- Would you be interested in accessing advice, guidance or support related to your work, career or job?
- Would you like to start a new job in the next 1-2 years?
- Imagine you were looking to start a new job. Which of these, if any, might be a problem for you? (We then provided respondents with a list of possible reasons which might prevent them starting a new job, and asked them to pick up to three options.)
- Employment status (full time, part time, self-employed or not currently working)
- Education (highest level of qualification achieved)
- Having children aged under 18
- Three two-hour, online workshops one with each of three selected segments (Working parents, Looking for good work and Cautious but open to change). We used these workshops to explore people's experiences and opinions about accessing careers advice and employment support. We chose participants based on a combination of inclusive and representative sampling for each individual segment. There were 20 participants in total across the three workshops.
- A series of qualitative interviews with expert stakeholders. We used these interviews to discuss our research findings and draft recommendations.

## **SECTION 1** INTRODUCTION AND CONTEXT

In this report, we explore how to make it easier for people to access careers advice and employment support. In Sections 2 and 3 we focus on the perspectives and opinions of citizens, exploring who wants to access advice or support, what kind of advice or support they want, and where they want to access it. In Section 4, we make the case that policy makers should address the issues we identify through an Employment Advice Guarantee and a 'digital front door'.

In this first section, we set out some of the reasons why enabling people to access careers advice and employment support is an important policy objective. We argue that it can help increase employment, improve productivity, help people make decisions about skills and training as well as improving people's living standards and financial security. We also explore the structural reasons why the government needs to reform the landscape of services that provide employment advice.

### THE PANDEMIC BROUGHT A SUDDEN END TO A DECADE OF GROWING EMPLOYMENT IN THE UK

The 2010s was a decade of growing employment in the UK. In 2019, there were 3.4 million more people in employment than in 2011 - partly as a result of population growth, but also partly as a result of a rising employment rate (see Chart 1).<sup>1</sup> A significant contributing factor to this growth was the employment rate increasing among people in their 50s and 60s, which was itself partly a result of a rising State Pension Age for women during the 2010s.

The Covid-19 pandemic brought a sudden end to this period of steadily rising employment, and the current 16+ employment rate (59.9%) remains significantly below its pre-pandemic level (61.6%). The latest forecast from the Office for Budget Responsibility (OBR) suggests that the UK's employment rate in 2029 will still be lower than a decade earlier in 2019 (see Chart 1).

<sup>1</sup> Comparing Q3 2011 and Q3 2019. The ONS recently reweighted the Labour Force Survey to reflect the latest estimates of the size and composition of the UK population. These reweighted estimates only go back as far as Q3 2011.

We have seen the consequences of this fall in employment since the pandemic in the form of high business vacancies, with challenges facing a whole range of industries from health and social care to restaurants. In March to May 2024 there were an estimated 900,000 vacancies across the UK.<sup>2</sup>

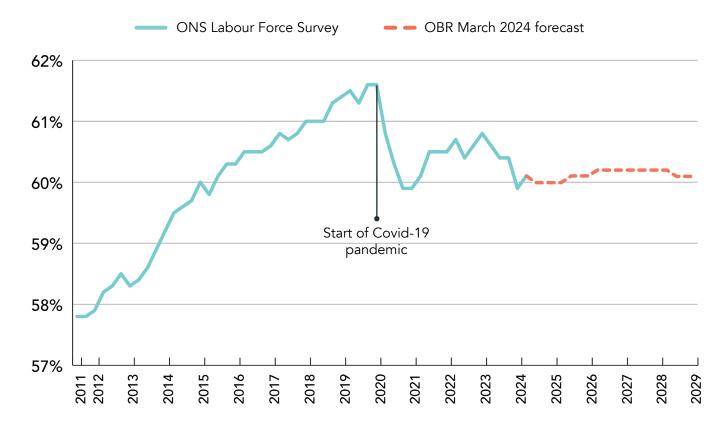
Although the differences in percentage terms in Chart 1 may look small, these are large differences because the data is based on the entire population aged 16+ in the UK. The current employment rate (in Q1 2024) is 1.6 percentage points below the pre-pandemic rate pre-pandemic (in Q4 2019) - equivalent to 880,000 fewer workers.<sup>3</sup>

This should be a serious worry for policy makers because rising employment made a significant contribution to the limited economic growth the UK did achieve during the 2010s.<sup>4</sup> Without significant improvement, low employment threatens to hinder the new government's commitment to grow the economy over the course of this Parliament.

#### CHART 1

The UK's employment rate has not recovered since the pandemic and is forecast to be lower in 2029 than it was in 2019

16+ employment rate in the UK from Q3 2011 to Q1 2029



#### Sources: ONS<sup>5</sup> and OBR<sup>6</sup>

2 Office for National Statistics. Vacancies and jobs in the UK: June 2024. 11 June 2024. Available at www.ons.gov.uk/

employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/jobsandvacanciesintheuk/june2024 [accessed 26/06/2024]

3 Office for National Statistics. A02 SA: Employment, unemployment and economic inactivity for

people aged 16 and over and aged from 16 to 64 (seasonally adjusted). 11 June 2024. Available at www.

ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/

employmentunemploymentandeconomicinactivityforpeopleaged16andoverandagedfrom16to64seasonallyadjusteda02sa [accessed 26/06/2024] 4 Murphy, L. and Thwaites, G. Post-pandemic participation. Resolution Foundation, 21 February 2023, p. 9. Available at www.

 $resolution foundation.org/publications/post-pandemic-participation\ [accessed\ 26/06/2024]$ 

5 Office for National Statistics. A02 SA: Employment, unemployment and economic inactivity for

people aged 16 and over and aged from 16 to 64 (seasonally adjusted). 11 June 2024. Available at www.

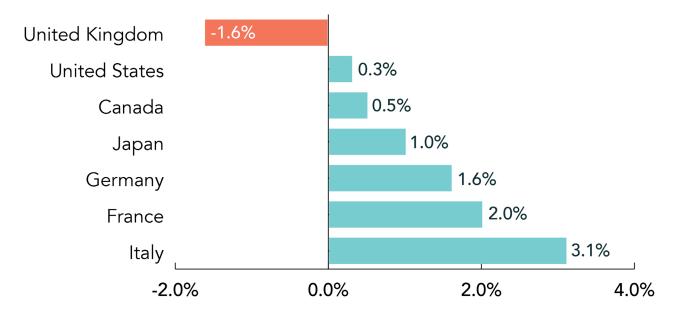
ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/

employmentunemploymentandeconomicinactivityforpeopleaged16andoverandagedfrom16to64seasonallyadjusteda02sa [accessed 26/06/2024] 6 Office for Budget Responsibility. Economic and fiscal outlook – March 2024. 6 March 2024, Chart 2.14. Available at https://obr.uk/efo/ economic-and-fiscal-outlook-march-2024 [accessed 26/06/2024] Policy makers should also be concerned because the UK is an international outlier in labour market performance since the pandemic. The UK is the only country in the G7 where the working-age employment rate is lower than before the pandemic, while simultaneously the working-age employment rate in other countries has risen. The divergence is clear, as shown in Chart 2.

#### CHART 2

The UK is the only country in the G7 that has a lower working-age employment rate now than in 2019

Change in employment rate (percentage points) among people aged 15-64 in G7 countries from Q4 2019 to Q1 2024



#### Source: OECD<sup>7</sup>

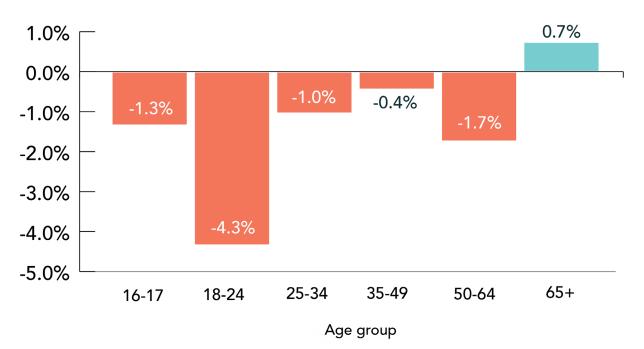
In this context, making it easier for people who are currently not working to access advice and support should be a priority for policy makers looking to grow the UK economy. Currently, many people are out of work and would like a job, but do not know where to go to access advice or support, and do not even know that there is any advice or support available for them.

When analysed by age (see Chart 3), the groups with the largest falls in employment since the pandemic are the age groups 18-24 and 50-64. This is a particular concern because many people in both of these age groups do not receive Universal Credit, which means they are not able to access Jobcentre Plus to get advice or support.

<sup>7</sup> OECD. Infra-annual labour statistics. OECD Data Explorer. Available at https://data-explorer.oecd.org [accessed 26/06/2024]

#### CHART 3

Employment rates have fallen the most since the pandemic in the 18-24 and 50-64 age groups Change in employment rate from Q4 2019 to Q1 2024 by age group in the UK



#### THE UK HAS HAD ANAEMIC LABOUR PRODUCTIVITY GROWTH SINCE THE 2007-08 FINANCIAL CRISIS – EMPLOYMENT ADVICE CAN HELP ADDRESS THIS

It is not just the proportion of people in employment that should worry policy makers. The UK has also suffered low productivity growth since the financial crisis, and employment advice can play a role in addressing this in areas such as skills/training/qualifications, job mobility and job satisfaction.

Labour productivity is defined as the level of output per hour worked.<sup>8</sup> The UK has had anaemic labour productivity growth since the 2007-08 financial crisis: the average has been just 0.4 per cent per year, less than half the average among the 25 richest OECD countries.<sup>9</sup> Productivity growth is vital in sustaining economic growth, which increases people's wages and boosts living standards.

The UK's weak productivity growth over the last 15 years is a result of a complex mix of factors, but one of the most important reasons is chronic underinvestment in the UK economy across the public and private sectors.<sup>10</sup> This is not something that can be addressed through providing advice or support to workers. However, weak productivity growth does have important implications for thinking about the provision of careers advice and employment support. This is because some factors that do contribute to productivity growth can be addressed through careers advice and employment support: skills and qualifications, job mobility and job satisfaction.

#### INVESTING IN SKILLS CAN HELP INCREASE PRODUCTIVITY GROWTH – BUT PEOPLE NEED TO BE ABLE TO ACCESS ADVICE TO HELP THEM MAKE DECISIONS

Overall the UK has reasonably strong education and skills levels, but this is not true for everyone, especially non-graduates. The government has put in place policy initiatives to try to address this, such as the Lifelong Learning Entitlement, but currently there is nowhere obvious for people to turn to get advice about skills,

<sup>8</sup> Office for National Statistics. Labour Productivity QMI. 12 June 2023. Available at www.ons.gov.uk/employmentandlabourmarket/ peopleinwork/labourproductivity/methodologies/labourproductivityqmi [accessed 26/06/2024]

<sup>9</sup> Resolution Foundation. Ending Stagnation. 4 December 2023, p. 41. Available at https://economy2030.resolutionfoundation.org/reports/ ending-stagnation [accessed 26/06/2024]

<sup>10</sup> The Productivity Institute. The Productivity Agenda. 2023, p. 9. Available at www.productivity.ac.uk/wp-content/uploads/2023/11/TPI-Agenda-for-Productivity-2023-FINAL.pdf [accessed 26/06/2024]

training and qualifications - a clear theme which emerged from the survey and workshops we conducted for this research project.

The UK performs well compared to other countries as measured by for example the OECD's PISA rankings or by the proportion of people who obtain a degree.<sup>11,12</sup> However, this obscures significant inequalities within the UK. Non-graduates are not served well by the UK's system compared to graduates, with nearly a third of 18-year-olds currently receiving no education or training.<sup>13</sup> A lower proportion of 18-year-olds and 19-year-olds remain in education in the UK compared to France and Germany.<sup>14</sup> By age 26 around a third of people in the UK only have Level 2 (GCSEs) as their highest level of qualification.<sup>15</sup> Since the 2007-08 financial crisis, there have also been declines in both the proportion of adults taking skills courses/qualifications and the amount employers invest in training staff.<sup>16</sup> For example, average employer spending on training has decreased by 27% per trainee since 2011.<sup>17</sup> All this contributes to a polarised economy in which "the population is split into two large groups, one with relatively low levels of education and one with high levels of education, with little in between".<sup>18</sup> Yet the evidence is clear that, on average, people with higher levels of qualifications (Level 3+) earn higher wages and are more productive than those without.

Investing in education, skills and training for non-graduates has clear potential to improve the UK's productivity.<sup>19</sup> With this in mind, the government has introduced a range of reforms in this area including the Lifelong Learning Entitlement, the Apprenticeship Levy and shorter courses such as Skills Bootcamps. Setting aside problems with these individual policies, the broader issue is that, after the age of 18, adults face a complicated landscape of different education, qualification and training options without knowing where to access high-quality, independent advice. For example, the Lifelong Learning Entitlement is a loan-based scheme and many people who could benefit from it are, understandably, likely to be cautious about taking out a loan; this could limit the success of the policy. Given the high cost for both individuals and the government - the entitlement provides each learner with tuition fees loans of up to £37,000 - it is in the government's interest to fund high-quality advice to help people make decisions about pursuing particular qualifications to help them in their longer-term career.<sup>20</sup> This could also help people who are less likely to benefit from the Lifelong Learning Entitlement at the moment: for example, in Public First polling, people aged 45-54 and 55-64 were less likely than younger age groups to say they were interested in using the Lifelong Learning Entitlement.<sup>21</sup>

One solution to these issues is enabling more people to access high-quality careers advice, including advice on the education, skills and qualifications options available to them. This requires a well-funded, well-known, accessible and high-quality advice service. The existing National Careers Service does not currently fulfil all these criteria, as discussed later in Section 2.

A high-quality advice service is a crucial building block in a wider strategy to improve the skills and qualifications of the UK's workforce, especially among groups less likely to access education/skills/learning without publicly-funded advice, such as non-graduates and people in their 40s, 50s and 60s.

publications/lifelong-learning-entitlement-lle-overview/lifelong-learning-entitlement-overview [accessed 26/06/2024]

21 Public First. New polling on the Lifelong Learning Entitlement. 30 November 2023. Available at www.publicfirst.co.uk/new-polling-on-thelifelong-learning-entitlement.html [accessed 26/06/2024]

<sup>11</sup> The UK as a whole was ranked above the OECD average for mathematics, reading and science in the results of PISA 2022, although there are differences within the UK (for example, between England, Scotland, Wales and Northern Ireland). OECD. PISA 2022 Results. Available at www.oecd.org/pisa/OECD\_2022\_PISA\_Results\_Comparing%20countries%E2%80%99%20and%20economies%E2%80%99%20performance%20 in%20mathematics.pdf [accessed 26/06/2024]

<sup>12</sup> Layard, R., McNally, S. and Ventura, G. Applying the Robbins Principle to Further Education and Apprenticeships. Resolution Foundation, 24 October 2023. Available at https://economy2030.resolutionfoundation.org/reports/applying-the-robbins-principle-to-further-education-and-apprenticeships [accessed 26/06/2024]

<sup>13</sup> Layard, R., McNally, S. and Ventura, G. Applying the Robbins Principle to Further Education and Apprenticeships. Resolution Foundation, 24 October 2023. Available at https://economy2030.resolutionfoundation.org/reports/applying-the-robbins-principle-to-further-education-and-apprenticeships [accessed 26/06/2024]

<sup>14</sup> Layard, R., McNally, S. and Ventura, G. Applying the Robbins Principle to Further Education and Apprenticeships. Resolution Foundation, 24 October 2023. Available at https://economy2030.resolutionfoundation.org/reports/applying-the-robbins-principle-to-further-education-and-apprenticeships [accessed 26/06/2024]

<sup>15</sup> Farquharson, C., McNally, S. and Tahir, I. Education inequalities. Institute for Fiscal Studies, 16 August 2022, p. 84. Available at https://ifs. org.uk/inequality/education-inequalities [accessed 26/06/2024]

<sup>16</sup> Tahir, İ. Investment in training and skills: Green Budget 2023 - Chapter 9. Institute for Fiscal Studies, 12 October 2023. Available at https:// ifs.org.uk/publications/investment-training-and-skills [accessed 26/06/2024]

<sup>17</sup> Tahir, I. Investment in training and skills: Green Budget 2023 - Chapter 9. Institute for Fiscal Studies, 12 October 2023. Available at https:// ifs.org.uk/publications/investment-training-and-skills [accessed 26/06/2024]

<sup>18</sup> Farquharson, C., McNally, S. and Tahir, I. Education inequalities. Institute for Fiscal Studies, 16 August 2022, p. 86. Available at https://ifs. org.uk/inequality/education-inequalities [accessed 26/06/2024]

<sup>19</sup> Resolution Foundation. Ending Stagnation. 4 December 2023, p. 161. Available at https://economy2030.resolutionfoundation.org/reports/ ending-stagnation [accessed 26/06/2024]

<sup>20</sup> Department for Education. Lifelong Learning Entitlement overview. GOV.UK, 10 May 2024. Available at www.gov.uk/government/

#### JOB MOBILITY AND JOB SATISFACTION CAN ALSO IMPROVE PRODUCTIVITY GROWTH

Enabling more people to access careers advice and employment support can also help address two other issues related to productivity: job mobility and job satisfaction.

On job mobility, the rate of job mobility in the UK has declined in recent decades. In 2000, 3.2 per cent of workers moved jobs per quarter, but by 2019 this had slowed to 2.4 per cent (25 per cent lower). Similarly, in 2000, 1.7 per cent of workers moved to a different sector/industry per quarter, but by 2019 this was only 1.1 per cent (35 per cent lower).<sup>22</sup> One factor which contributes to these trends is an older working population, since people in their 50s and 60s are less likely to move job or sector/industry, although the Resolution Foundation estimate that the effect of 'compositional change' in the labour market only accounts for one-fifth of the slowdown in job mobility since 2000.<sup>23</sup> The decline in job mobility matters for at least two reasons. One is that moving jobs can help people progress in work, since workers who move jobs on average benefit from four-fold higher pay growth (measured by median annual growth in hourly pay).<sup>24,25</sup> Another is that workers moving jobs can contribute to raising productivity across the economy by reallocating labour from less productive to more productive firms.<sup>26</sup>

The Resolution Foundation has recommended that enabling 'dynamism' among workers so that people move jobs more frequently should be part of the UK's economic strategy to boost productivity.<sup>27</sup> However, moving jobs is risky, and people may not have the confidence to do so, particularly if this involves moving to a new sector/industry. This is where the provision of careers advice and employment support could play an important role. Enabling people currently in work to access employment-related advice and support is an important element in supporting 'good' job mobility, which benefits economic growth. It is also particularly important when jobs and potentially whole industries/sectors change: although this does not happen often, it seems likely that the development of generative AI will potentially change some people's jobs significantly, while the gradual transition to a low-carbon, net-zero economy will have a localised impact on some specific industries such as the automotive industry in the West Midlands or the oil and gas industry in Scotland. In these cases, enabling people to access advice and support will be an essential part of a strategy to mitigate potential harms of involuntary job loss. The theme of increased 'dynamism' can also align well with Labour's New Deal for Working People, which aims to increase job quality across the economy and could help people feel more confident moving between jobs and between industries.<sup>28</sup>

Job satisfaction is also associated with higher productivity. A recent paper by Christian Krekel, George Ward and Jan-Emmanuel De Neve analysed 339 studies and found a strong correlation between employees' satisfaction with their company and employee productivity.<sup>29</sup> (Employees' satisfaction was measured by using the question, 'How satisfied are you with your organisation as a place to work?') This suggests that improving job satisfaction would not just be good for workers, but also boost the performance of businesses and the economy overall. Enabling current workers to access advice and support could help improve job satisfaction, whether by helping people move to a different job, different employer or different industry, or simply by ensuring that a worker has someone independent of their employer to talk to about their experience at work and this could be beneficial for productivity in the UK.

<sup>22</sup> Cominetti, N. and others. Changing jobs? Change in the UK labour market and the role of worker mobility. Resolution Foundation, 6 January 2022, p. 9. Available at https://economy2030.resolutionfoundation.org/reports/changing-jobs [accessed 26/06/2024]
23 Cominetti, N. and others. Changing jobs? Change in the UK labour market and the role of worker mobility. Resolution Foundation, 6

January 2022, p. 10. Available at https://economy2030.resolutionfoundation.org/reports/changing-jobs [accessed 26/06/2024] 24 Cominetti, N. and others. Changing jobs? Change in the UK labour market and the role of worker mobility. Resolution Foundation, 6

<sup>24</sup> Commetti, N. and others. Changing jobs? Change in the UK labour market and the role of worker mobility. Resolution Foundation, 6 January 2022, p. 52. Available at https://economy2030.resolutionfoundation.org/reports/changing-jobs [accessed 26/06/2024]

<sup>25</sup> Resolution Foundation. Ending Stagnation. 4 December 2023, p. 254. Available at https://economy2030.resolutionfoundation.org/reports/ ending-stagnation [accessed 26/06/2024]

<sup>26</sup> Davies, R., Hamdan, N. and Thwaites, G. Ready for change: How and why to make the UK economy more dynamic. Resolution Foundation, 25 September 2023. Available at https://economy2030.resolutionfoundation.org/reports/ready-for-change [accessed 26/06/2024]

<sup>27</sup> Resolution Foundation. Ending Stagnation. 4 December 2023, p. 254. Available at https://economy2030.resolutionfoundation.org/reports/ ending-stagnation [accessed 26/06/2024]

<sup>28</sup> The Labour Party. Labour's plan to make work pay. May 2024. Available at https://labour.org.uk/wp-content/uploads/2024/05/LABOURS-PLAN-TO-MAKE-WORK-PAY.pdf [accessed 26/06/2024]

<sup>29</sup> Krekel, C., Ward, G. and De Neve, J-E. Employee Wellbeing, Productivity, and Firm Performance. Saïd Business School WP, 21 March 2019. Available at https://dx.doi.org/10.2139/ssrn.3356581 [accessed 26/06/2024]

### OFFERING PEOPLE EMPLOYMENT ADVICE CAN HELP REDUCE POVERTY AND INCREASE PEOPLE'S FINANCIAL SECURITY TODAY AND IN THE FUTURE

Poverty and financial insecurity are serious problems in the UK today. Research by the Joseph Rowntree Foundation (JRF) has found that only 11% of people experiencing destitution - the most severe form of poverty which is defined as going without essentials like food, toiletries or home heating - are in paid work.<sup>30</sup> Less than half (42%) of households in 'very deep poverty' have at least one person in employment.<sup>31</sup> JRF have also found that moving into work helps people escape 'very deep poverty', as does moving into a job with a permanent contract or a job which pays a salary (rather than pay by hour or by task).<sup>32</sup> The latter finding demonstrates the importance of helping people move into 'good work', including people who might currently have some kind of paid work but which is insecure. Overall, it is clear that offering people employment advice can play a role in reducing poverty, both among people out of work and among people in insecure work.

Employment advice also has a role to play in increasing people's financial security and resilience. In the UK, one in three (30%) working-age adults live in households with savings below £1,000 which leaves them vulnerable both to 'rainy day' events as well as larger financial shocks such as job loss.<sup>33</sup> Many people are also not saving enough for retirement: Phoenix Insights research has found that over half (55%) of defined contribution savers are either not on track or not expecting to meet the Pensions and Lifetime Savings Associations minimum retirement living standard.<sup>34</sup> Similarly Resolution Foundation research found that "39 per cent of individuals aged 22 to the State Pension age (equivalent to 13 million people) were undersaving for retirement when measured against target replacement rates (TRRs), after housing costs (AHC), in 2023."<sup>35</sup> Undersaving risks leaving people financially insecure in retirement. Offering people employment advice has the potential to address this in several ways. First, helping people progress in work can help increase people's incomes and enable them to save more. Second, employment advice can help people stay in work for longer, especially relevant for people in their 50s and 60s, which can also help improve financial security in retirement.<sup>36</sup> Third, employment/careers advisers can also work in partnership with, or refer people to, advice on pensions and retirement planning; the government has recently trialled this through the Midlife MOT initiative.<sup>37</sup> Researchers have previously highlighted the potential value of a 'Midlife career review' for similar reasons.38

We have set out some of the reasons why opening up access to careers advice and employment support would be beneficial for people and for policy makers looking to grow the economy. It should therefore concern policy makers that the proportion of people using existing employment-related advice and support services is lower in the UK than in other countries, as discussed below.

#### THE UK HAS THE LEAST-USED PUBLIC EMPLOYMENT SERVICE IN THE OECD

Unlike other countries, the UK does not have a genuine *public* employment service. Instead, Jobcentre Plus (in England, Scotland and Wales) is a combined benefits administration and employment support service. Crucially, support is usually only available for people receiving benefits and who are required to look for work under benefits rules. If somebody is not receiving benefits, they are not able to use Jobcentre Plus. As a result, the proportion of jobseekers using the public employment service (Jobcentre Plus or equivalent) is low compared to other countries - just 18% in the UK, compared to 60% in France and 74% in Germany. There will be a range of reasons for these differences: for example, Germany has both 'employment offices' funded by

 Phoenix Insights. Developing and delivering Midlife MOTs. 25 September 2023. Available at www.thephoenixgroup.com/phoenix-insights/ publications/developing-and-delivering-midlife-mots [accessed 26/06/2024]

<sup>30</sup> Fitzpatrick, S. and others. Destitution in the UK 2023. JRF, 24 October 2023, p. 23. Available at www.jrf.org.uk/deep-poverty-and-destitution/destitution-in-the-uk-2023 [accessed 26/06/2024]

<sup>31</sup> Fitzpatrick, S. and others. Destitution in the UK 2023. JRF, 24 October 2023, p. 23. Available at www.jrf.org.uk/deep-poverty-and-destitution/destitution-in-the-uk-2023 [accessed 26/06/2024]

Schmuecker, K. What protects people from very deep poverty, and what makes it more likely? JRF, 25 September 2023. Available at www.
 jrf.org.uk/deep-poverty-and-destitution/what-protects-people-from-very-deep-poverty-and-what-makes-it-more [accessed 26/06/2024]
 Broome, M., Mulherin, I. and Pittaway, S. Precautionary tales: Tackling the problem of low saving among UK households. Resolution

Foundation, 12 February 2024, p. 4. Available at www.resolutionfoundation.org/publications/precautionary-tales [accessed 26/06/2024] 34 Phoenix Insights. Great Expectations: Are people's retirement income expectations adequate and achievable? September 2022. Available at www.thephoenixgroup.com/media/w4fiedid/phoenix-insights-great-expectations-report.pdf [accessed 26/06/2024]

Broome, M., Mulherin, I. and Pittaway, S. Precautionary tales: Tackling the problem of low saving among UK households. Resolution Foundation, 12 February 2024, p. 6. Available at www.resolutionfoundation.org/publications/precautionary-tales [accessed 26/06/2024]
 Phoenix Insights. Great Expectations: Are people's retirement income expectations adequate and achievable? September 2022, p. 22. Available at www.thephoenixgroup.com/media/w4fiedid/phoenix-insights-great-expectations-report.pdf [accessed 26/06/2024]

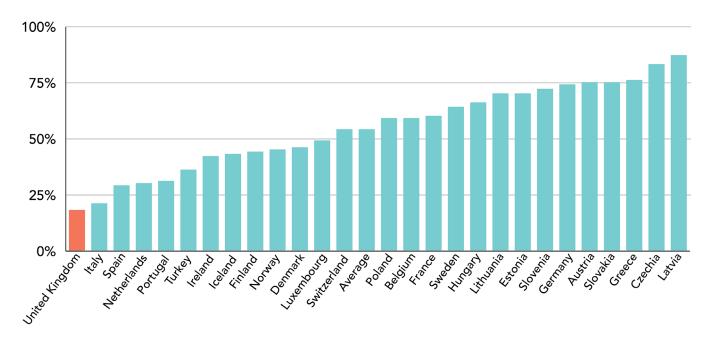
<sup>38</sup> NIACE. Mid Life Career Review. Learning and Work Institute, 1 July 2015. Available at https://learningandwork.org.uk/resources/researchand-reports/mid-life-career-review-2 [accessed 26/06/2024]

social insurance for insured jobseekers as well as 'Jobcentres' which provide 'basic income support' alongside employment support to uninsured jobseekers.<sup>39</sup> Nonetheless, the difference between the UK and our peers is stark (see Chart 4).

#### CHART 4

#### Less than one in five people looking for jobs in the UK use Jobcentre Plus to access employment support

Share of jobseekers (aged 15-64) who have contacted the public employment service/office to seek employment, 2020



Source: OECD<sup>40</sup>

### THE WIDER SYSTEM OF CAREERS ADVICE AND EMPLOYMENT SUPPORT IS FRAGMENTED

Beyond Jobcentre Plus, the wider system of careers advice and employment support suffers from fragmentation. This section briefly describes some of the problems this causes. We focus here on the context in England because the context is slightly different in each of Scotland, Wales and Northern Ireland. For example, the Welsh Government has introduced a service called Working Wales which is designed to simplify access to employment and careers advice, while the Northern Ireland Executive has introduced Labour Market Partnerships to co-ordinate activity across council areas.<sup>41,42</sup>

In England, the National Careers Service is a government-funded advice service that anyone can access. The National Careers Service "provides high quality, free and impartial careers advice, information and guidance" from qualified careers advisers.<sup>43</sup> This is different to Jobcentre Plus, where the frontline staff, called Work Coaches, do not have the same types of qualifications as careers advisers who work for the National Careers Service.

39 Finn, D. The Organisation and Regulation of the Public Employment Service and of Private Employment and Temporary Work Agencies: The Organisation and Regulation of the Public Employment Service and of Private Employment and Temporary Work Agencies. Learning and Work Institute, May 2016. Available at https://pure.port.ac.uk/ws/portalfiles/portal/4005870/PES\_PE\_TWA\_in\_4\_European\_Countries\_L\_W\_ Report\_DF\_May2016.pdf [accessed 26/06/2024]

org/10.1787/115b186e-en [accessed 26/06/2024]

42 Campbell, B. and others. Work in Progress: Interim report of the Commission on the Future of Employment Support. July 2023, p. 7. Available at www.employment-studies.co.uk/system/files/resources/files/Work%20in%20Progress-%20Interim%20Report%20of%20the%20 Commission%20on%20the%20Future%20of%20Employment%20Support.pdf [accessed 26/06/2024]

43 National Careers Service. About us. GOV.UK, (no date). Available at https://nationalcareers.service.gov.uk/about-us [accessed 26/06/2024]

<sup>40</sup> OECD. Evaluation of Active Labour Market Policies in Finland. 2 February 2023, Figure 2.11. Available at https://doi.

<sup>41</sup> Working Wales. Home page. (no date). Available at https://workingwales.gov.wales [accessed 26/06/2024]

However, the National Careers Service is affected by several related problems. First, it suffers from low awareness and resultant low use. In our survey, we found that almost half (48%) of people had not heard of the National Careers Service, and only 7% of all respondents said they had used it in the last two years. We also know from the National Careers Service annual report that two in three (64%) people hear about the National Careers Service via Jobcentre Plus.<sup>44</sup> This means that awareness of the National Careers Service among those who cannot access Jobcentre Plus is even lower, which again makes it harder for people to access careers advice and employment support. Second, it suffers from insufficient funding: we understand the annual budget is only around £50 million. Third, stakeholders told us in interviews that the National Careers Service's funding model causes problems for contracted providers and does not award sufficient funding for marketing or communications.

Looking more widely, there are many other organisations that provide employment-related advice or support to people including the NHS, private sector companies (where the individual accessing advice pays), Local Authorities, housing associations and charities. The problem is that the overall 'system' is extremely fragmented and is characterised by many small organisations and programmes that run in parallel to each other. Although there is some partnership working at a local level, citizens are often unaware of what is available, and there is no overall coordination of enabling people to access advice and support.<sup>45</sup>

#### THE GOVERNMENT HAS INTRODUCED NEW PROGRAMMES AND INITIATIVES SINCE THE PANDEMIC, BUT HAS NOT SOLVED THE FRAGMENTATION PROBLEM

Since the pandemic, and the subsequent fall in the employment rate, the government has introduced a range of new employment-related programmes and initiatives. However, from a citizen's perspective, the government has not solved the fragmentation problem.

The government has introduced or extended a number of programmes including Restart, Universal Support, WorkWell and Individual Placement and Support.<sup>46</sup> While individually each of these should help the people using them, the problem remains that there is no 'front door' for people to access these programmes. This particularly applies to programmes designed to support a wider group of people beyond those receiving benefits, which is the case for Universal Support and WorkWell, for example.

The government has also introduced several new websites in the last few years including Job Help, Skills for Careers and an updated National Careers Service website (see Annex for links to these and other existing websites). These are a step in the right direction in bringing programmes and resources together in one place, and in our survey we found that one in twelve (8%) people reported having used Job Help in the last two years. However, the websites are far from comprehensive, do not have enough information about the different advice and support options available to people in their region or local area and do not have their own advisers able to speak to people.

Despite the new initiatives, the same problems remain: too many people are excluded from services such as Jobcentre Plus while other services are fragmented and too few people know about them. Fundamentally, there is no unified 'front door' for people who want to access employment-related advice or support. The result is that many people are missing out on getting advice and support which could help them, and in turn help businesses and the wider economy.

### IN ORDER TO ENABLE MORE PEOPLE TO ACCESS CAREERS ADVICE AND EMPLOYMENT SUPPORT, WE NEED TO UNDERSTAND WHAT PEOPLE WANT TO USE

In this first section, we have explored the benefits of enabling more people to access careers advice and employment support in order to grow both labour market participation and productivity. We have also

<sup>44</sup> Albone, J., Thompson, D. and Coltman, N. National Careers Service Customer Satisfaction and Progression Annual Report: Report based on findings from May 2022 – April 2023. Department for Education, 7 September 2023. Available at https://assets.publishing.service.gov.uk/ media/64f99f2bfdc5d10014fce7b2/National\_Careers\_Service\_Customer\_Satisfaction\_and\_Progression\_Annual\_Report\_May\_22\_April\_23.pdf [accessed 26/06/2024]

<sup>45</sup> Phillips, A. and Stephenson, C. A Tapestry of Services: Employment, skills and careers support in East Birmingham and North Solihull. Demos, 3 August 2023. Available at https://demos.co.uk/research/a-tapestry-of-services-employment-skills-and-careers-support-in-eastbirmingham-and-north-solihull [accessed 26/06/2024]

<sup>46</sup> HM Treasury and others. Employment support launched for over a million people. GOV.UK, 16 November 2023. Available at www.gov.uk/ government/news/employment-support-launched-for-over-a-million-people [accessed 26/06/2024]

explored some of the reasons why the current system of careers advice and employment support needs reform to meet the objective of expanding access.

For these reasons, Demos has previously proposed a Universal Work Service: a new public employment service designed to offer integrated employment support, skills and careers advice, with universal access to anyone who wants support.<sup>47</sup> However, if policy makers are to succeed in enabling more people to access careers advice and employment support, we need to understand more about who wants to access advice, and how and where they want to access it. The research we conducted for this project is designed to answer some of these questions, and we explore our research findings in Section 2 and Section 3, before turning to our recommendations for policy makers in Section 4.

47 Phillips, A. Working Together: The case for universal employment support. Demos, 7 May 2022. Available at https://demos.co.uk/research/ working-together-the-case-for-universal-employment-support [accessed 26/06/2024]

## **SECTION 2** EXPLORING UNMET DEMAND FOR CAREERS ADVICE AND EMPLOYMENT SUPPORT

In the previous section, we explored why making it easier for people to access careers advice and employment support is important. In this section, we explore unmet demand for careers advice and employment support, as well as use and perceptions of our existing employment advice services, drawing on our survey results and qualitative workshops.

#### THERE IS UNMET DEMAND FOR CAREERS ADVICE AND EMPLOYMENT SUPPORT

We asked all the respondents to our survey "Would you be interested in accessing advice, guidance or support related to your work, career or job?" Our results reveal significant unmet demand for careers advice and employment support.

Across all respondents, one in three (36%) are interested in accessing advice or support (9% 'yes definitely', 27% 'yes possibly'). Interest is higher among those in work (42%) than those not currently working (20%), although this may be slightly affected by the question wording (we think it is possible that those not working thought the question did not currently apply to them).

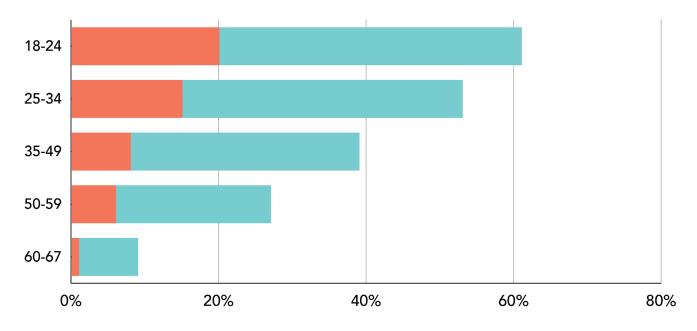
Three notable groups who have above-average interest in accessing careers advice or employment support are:

- Young people aged 18-24: 60% are interested. This is likely to be related to people in this age group actively thinking about starting a first job, or a first full-time job.
- People in employment but on 'non-standard' types of contract: 52% are interested. ('Other' types of contract include temporary, zero hours and other types of contract.)
- There is also a correlation between people's level of concern about their household finances and their interest in accessing employment advice. We asked respondents to rate how worried they were about their household finances, if at all, on a 0-10 scale. Among those who are not worried (rating 0-3), 27% said they are interested in accessing advice, guidance or support, whereas among those who are very worried (rating 7-10), the proportion rose to 44% who are interested in accessing advice, guidance or support.

#### CHART 5

#### Younger people are more likely to want to access employment advice

Proportion of people by age group responding 'yes definitely' or 'yes possibly' to the question, "Would you be interested in accessing advice, guidance or support related to your work, career or job?"

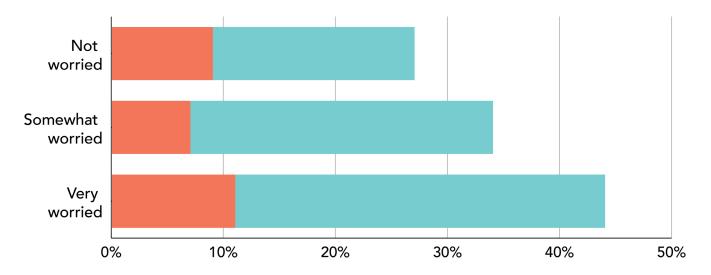


Source: Demos / Opinium survey, February 2024. Base: UK working-age population (n=4000)

#### CHART 6

## People worried about their household finances are more likely to want to access employment advice

Proportion of people by level of worry about their household finances responding 'yes definitely' or 'yes possibly' to the question, "Would you be interested in accessing advice, guidance or support related to your work, career or job?"



Source: Demos / Opinium survey, February 2024. Base: UK working-age population (n=4000). Household finances question in survey: "On a scale of 0 to 10, where 0 is not worried at all and 10 is extremely worried, how do you feel about your household's finances?" 'Not worried' = 0-3, 'somewhat worried' = 4-6, 'very worried' = 7-10.

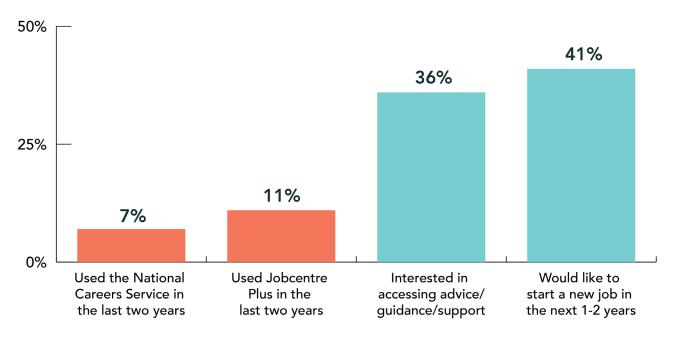
We can compare these figures for interest in accessing employment advice to the results for the proportion of people who have actually accessed one of the main public services offering advice/support:

- In England, 7% of people have used the National Careers Service in the last two years.
- Across England, Scotland and Wales, 11% of people have used Jobcentre Plus in the last two years.

#### CHART 7

## There is a significant 'employment advice gap' – many people are missing out on getting employment advice from one of our public services

Proportion of the population aged 18-67 who (i) have used the National Careers Service in the last two years (England) (ii) have used Jobcentre Plus in the last two years (England, Scotland and Wales) (iii) are interested in accessing advice/guidance/support related to employment (UK) (iv) would like to start a new job in the next 1-2 years (UK).



Source: Demos / Opinium survey, February 2024. Base: n=3211 (England), n=3848 (England, Scotland and Wales), n=4000 (UK)

Since around two-thirds of National Careers Service users find out about it via Jobcentre Plus, we can estimate that around 13% of people aged 18-67 have accessed one of these two sources of careers advice or employment support in the last two years.

Setting aside the fact that some people who access Jobcentre Plus do so because of its role in benefits administration, rather than because they want employment-related advice, this suggests there is a group of at least 23% of the working-age population who are interested in accessing employment advice, but haven't done so in the last two years via one of our two main public services. This suggests total potential unmet demand of around 9.7 million people. This is clearly a high estimate, and does not account for those accessing advice or support from sources other than public services. Nevertheless, it illustrates that there is significant unmet demand for careers advice and employment support among the UK's working-age population.

## THERE IS SIGNIFICANT INTEREST IN STARTING A NEW JOB IN THE NEXT TWO YEARS, INCLUDING AMONG THOSE CURRENTLY NOT WORKING

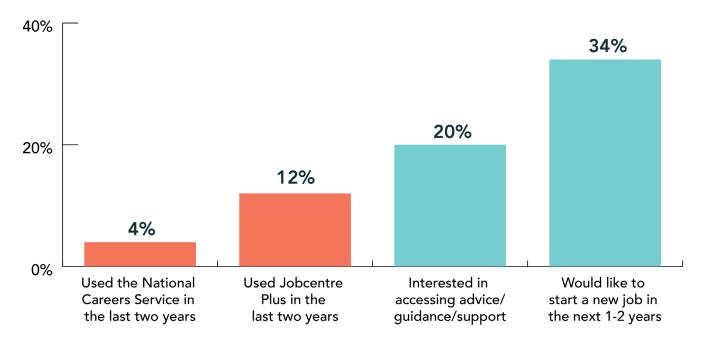
Our survey shows that there is significant interest in starting a new job in the next one to two years. Across all respondents, two in five (41%) said they were potentially interested, with 15% saying 'yes definitely' and 26% saying 'yes possibly'. Importantly, we find this is true among people who are in work and out of work. 44% of those in work are interested in starting a new job and 34% of those not currently working are also interested.

As Chart 8 shows, we find a significant 'back to work support gap'. One in three (34%) of those currently out of work would like to start a new job, but only one in seven (14%) have accessed a public service to get advice or support in the last two years. The 'back to work support gap' is therefore 20 percentage points, equivalent to 2.1 million people currently out of work who want to start a new job but haven't been able to access advice, guidance or support to help them.

#### CHART 8

#### There is a significant 'back to work support gap' among people currently out of work

Proportion of people currently not working who (i) have used the National Careers Service in the last two years (England) (ii) have used Jobcentre Plus in the last two years (England, Scotland and Wales) (iii) are interested in accessing advice/guidance/support (UK) (iv) would like to start a new job in the next 1-2 years (UK).



Source: Demos / Opinium survey, February 2024. Base: n=3211 (England), n=3848 (England, Scotland and Wales), n=4000 (UK)

In our survey results, we found a notable difference between the proportion of people out of work who are interested in accessing advice, and the proportion who would like to start a new job in the next few years. We think there are two possible explanations for this. One is that in our question we asked people whether they were interested in accessing advice 'related to your work, career or job'. It is possible that people who are not currently working thought this did not apply to them because they did not currently have a job. It is also possible that people interpreted the time reference of the questions differently: people might want to start a new job in the next one to two years, but also not want to access advice right now.

There has been significant policy attention on people who are not working due to ill health. We asked those not working to tell us the single main reason why they were not working. Among those not working mainly due to health reasons, 33% said they are interested in a new job - 11% 'yes definitely' and 22% 'yes possibly'. Taking the current ONS estimate that there are 2.8 million people out of work mainly due to long-term ill health or disability, our survey results suggest that there are about 900,000 people in this group who are interested in getting a job in the next few years, including 300,000 who 'definitely' want a job.

These figures again suggest there is unmet demand for employment advice. For example, the government has introduced the Universal Support programme for people with health conditions and disabilities but this will support a maximum of 100,000 people per year - a long way below the estimated 300,000 people with a health condition or disability who 'definitely' want a job.

There are also some groups among whom there is particularly high interest in starting a new job:

- Young people aged 18-24 34% 'definitely' want a new job in the next one to two years
- People who are not satisfied with their current employment status 36% 'definitely' want a new job in the next one to two years
- Among those in work, people on 'other' types of contract 27% 'definitely' want a new job in the next one to two years. ('Other' types of contract groups together the following options included in the survey: 'Fixed-term', 'Temporary', 'Zero hours / casual' and 'Other'.)

## USERS OF JOBCENTRE PLUS AND THE NATIONAL CAREERS SERVICE TEND TO FIND THEM HELPFUL

In our survey we asked all respondents if they had used a Jobcentre in the last two years. 11% of all respondents said they had. We then asked those who had used Jobcentres how helpful they had found using them. The results are shown in the table below, along with the results for people who had used the National Careers Service for comparison.

#### TABLE 1

## Jobcentre Plus and National Careers Service users tend to say they find the service helpful, although Jobcentre users' views are more mixed

	JOBCENTRE PLUS	NATIONAL CAREERS SERVICE
Very helpful	28%	34%
Fairly helpful	40%	46%
Not very helpful	18%	10%
Not at all helpful	10%	3%
Don't know	5%	6%

For each source of careers advice or employment support, how helpful did you find each of these services?

Source: Demos / Opinium survey, February 2024. Base: Jobcentre Plus users in the last two years (n=512) and National Careers Service users in the last two years (n=275).

The positive finding here is that among people who had used a Jobcentre, the majority reported finding them at least 'fairly' helpful. However, it should be noted that a significant minority of people reported a more negative experience, with 28% saying they found it either 'not very' or 'not at all' helpful. By comparison, people who use the National Careers Service tend to be more positive (only 13% said it was either 'not very' or 'not at all' helpful). Our survey finding is similar to the National Careers Service annual report which found that 86% of users were satisfied with the service, which is similar to the 80% in our survey who said they found the service helpful.<sup>48</sup>

The somewhat mixed experiences of Jobcentres reflects previous Demos research: people often talk about having a reasonably positive experience with their individual Work Coach for example, but criticise

<sup>48</sup> Albone, J., Thompson, D. and Coltman, N. National Careers Service Customer Satisfaction and Progression Annual Report: Report based on findings from May 2022 – April 2023. Department for Education, 7 September 2023, p. 42. Available at https://assets.publishing.service.gov. uk/media/64f99f2bfdc5d10014fce7b2/National\_Careers\_Service\_Customer\_Satisfaction\_and\_Progression\_Annual\_Report\_May\_22\_April\_23.pdf [accessed 26/06/2024]

other aspects of Jobcentres like the short appointments as well as the atmosphere and environment of the buildings.<sup>49</sup> Other people, however, have more negative experiences:

Well, [the Jobcentre has] been very chaotic. [...] When one person rang up, they said, "Well, just bear with me, I haven't had time to read all the notes. I'm just going to read all the notes", which I thought was very unprofessional, that they didn't know anything. I think they're just ticking a box most of the time, and I don't think they're really bothered, they're just ticking a box.

- Focus group participant, research for Demos's report Working Together<sup>50</sup>

Recent Demos research has used an innovative method of social media listening to shed light on the experiences of people living in financial hardship through analysis of discussions in specific online support spaces.<sup>51</sup> One of the themes which has emerged from this research is that some people report having extremely negative interactions with Jobcentre Work Coaches specifically and DWP in general:

I am sorry to hear what you have been going through. I have had very similar experiences with horrible work coaches. They make you feel like no matter what you do, your best isn't good enough.

- Comment in an online discussion space<sup>52</sup>

These kinds of negative experiences - even though they are by no means universal - appear to influence perceptions of Jobcentres among non-users, which we discuss in the next section.

#### PERCEPTIONS OF JOBCENTRE PLUS AMONG NON-USERS ARE OFTEN NEGATIVE

When thinking about making employment advice easier to access, one fairly obvious option would be to change how Jobcentres work so that anyone could access them. Currently, almost everyone who uses a Jobcentre does so because they are required to do so; the number of voluntary users is very low. In theory, opening up Jobcentres could work - as the above finding shows, a majority of users say they find the support at least 'fairly helpful'. However, when we consider people's *perceptions* of Jobcentres, there are reasons to think that many people may be reluctant to use them. We asked our survey respondents who had *heard* of Jobcentres but not used them in the last two years, "How likely is it that you would choose to use this service to get advice or support related to your work or career?" A majority (56%) said that they would *not* be likely to use a Jobcentre (30% 'not at all likely', 26% 'not very likely'), while only a third (32%) said they *would* be likely to use a Jobcentre (10% 'very likely', 23% 'fairly likely'). It is worth pointing out that this does show there are some people who would be willing to use a Jobcentre if they could - but also that the majority said they would not.

This was reflected in the discussions in our qualitative workshops. Overall, in all three workshops negative perceptions of Jobcentres were far more common than positive ones. People talked about associating Jobcentres with benefits, with social stigma and - among those who had used a Jobcentre in the past - some participants also said that they had not found them helpful. A few participants mentioned knowing friends or family who had negative experiences of Jobcentres. Some participants directly said that they would not use a Jobcentre for these reasons, even if the rules were changed so that they were allowed to.

If you're on Jobseeker's Allowance, then you've got to turn up and just tick a box that you have looked for a job... and I think that's all the staff [at the Jobcentre] are doing in there, really, is that anyone on Jobseeker's is just going in, making sure they're doing what they're supposed to do to get the payment.

- Workshop participant, Working parents segment

52 Forthcoming Demos research.

<sup>49</sup> Phillips, A. Working Together: The case for universal employment support. Demos, 7 May 2022. Available at https://demos.co.uk/research/ working-together-the-case-for-universal-employment-support [accessed 26/06/2024]

<sup>50</sup> Phillips, A. Working Together: The case for universal employment support. Demos, 7 May 2022, p. 17. Available at https://demos.co.uk/ research/working-together-the-case-for-universal-employment-support [accessed 26/06/2024]

<sup>51</sup> Judson, E. and others. How people talk about poverty and hardship online: A social media listening exploration. Demos, 28 September 2023. Available at https://demos.co.uk/research/how-people-talk-about-poverty-and-hardship-online-a-social-media-listening-exploration [accessed 26/06/2024]

I think that is part of the reason I haven't been [to a Jobcentre] is because you feel like everyone's watching you. It's like everyone knows I've not got a job. They're going to think I'm lazy that I haven't been able to get one myself.

- Workshop participant, Looking for good work segment

I think unless something radically changes... [the Jobcentre] just has such a stigma, and I've never had a good experience. It's been an incredibly stressful, horrible process from start to finish going to that place. And I would be happy if I never set foot in one ever again.

- Workshop participant, Looking for good work segment

Interestingly, a few participants talked about trying to access the Jobcentre voluntarily and criticised the fact they were not offered support:

I've been on unpaid maternity leave now for the last year and I've been to the Jobcentre once because I tried to apply [for a benefit]. I wasn't entitled to it, but I still went for a meeting - but they just asked me some basic questions and they didn't give me any other information. You'd think that'd be the first place, the Jobcentre, to give you something. But then also they don't even give you a leaflet to be, here's a website where you can look through and find jobs or anything like that.

- Workshop participant, Working parents segment

The Labour Party has talked about reforming Jobcentres, and our research shows that some people would probably be willing to use them to access support. However, our research also shows that policy makers should not underestimate the challenges given people's existing negative perceptions, which could be very difficult to change.

#### THE NATIONAL CAREERS SERVICE SUFFERS FROM LOW AWARENESS

As we note above, the brand of Jobcentres suffers because it is associated with benefits, stigma and, for some people, negative experiences. On the other hand, the National Careers Service does not have these brand problems, but instead suffers from low awareness.

People who have used the National Careers Service tend to be positive about the support they accessed. However, our survey shows that almost half (48%) of the working-age population have not heard of the National Careers Service. Similarly, among participants in our workshops, most people had never heard of the National Careers Service, and even those who had heard of it were unsure what it offered.

When considering options for reform, this suggests that the National Careers Service could in principle be used to enable more people to access careers advice and employment support - although one condition for this would clearly need to be increasing brand awareness, if it is to fulfil the role of expanding access.

Given the low brand awareness, we also asked our workshop participants what they thought about the name 'National Careers Service'. Views were mixed but in general participants were more likely to express negative views than positive ones:

A little bit military-sounding, like National Royalty Service or something.

- Workshop participant, Cautious but open to change segment

Yeah, the name, it's not the best in my opinion as well, as others have said. It needs to be a friendly name, inviting to all, welcoming.

- Workshop participant, Looking for good work segment

## **SECTION 3** WHO WANTS TO ACCESS CAREERS ADVICE AND EMPLOYMENT SUPPORT?

In this section we focus on *who* wants to access advice/support and *how* and where they want to access it, primarily drawing on the segmentation analysis of our survey data and our participatory workshops.

#### OUR SEGMENTATION ANALYSIS BREAKS THE WORKING-AGE POPULATION INTO SEVEN SEGMENTS BASED ON THEIR ATTITUDES AND CHARACTERISTICS

Different groups of people have different levels of interest in accessing advice, and have different support needs. Therefore for this research project, we worked in partnership with SigDiff to produce a segmentation analysis of our survey data. This process clustered our respondents into seven segments based primarily on their attitudes along with a few demographic characteristics which we included because of their importance to people's experiences of work. We used the following questions for the segmentation analysis:

- How satisfied are you with your current employment status?
- Would you be interested in accessing advice, guidance or support related to your work, career or job?
- Would you like to start a new job in the next 1-2 years?
- Imagine you were looking to start a new job. Which of these, if any, might be a problem for you? (We then provided respondents with a list of possible reasons which might prevent them starting a new job, and asked them to pick up to three options.)
- Employment status (full time, part time, self-employed or not currently working)
- Education (highest level of qualification achieved)
- Having children aged under 18

The following table summarises our seven segments. These segments are all 'clusters', primarily based on attitudes, and so the descriptions describe the typical or average person in each segment; there is also significant diversity within each segment.

It is important to note that although two of the segments have a high proportion of people in their 50s and 60s, which is reflected in how we have named them, there are people in this age group across every segment - which is not surprising since one in three workers in the UK is aged 50 or over. It is therefore crucial that advice/support services meet the needs of people in this age group, while also recognising that there are significant differences *within* this age group as reflected in our segmentation analysis.

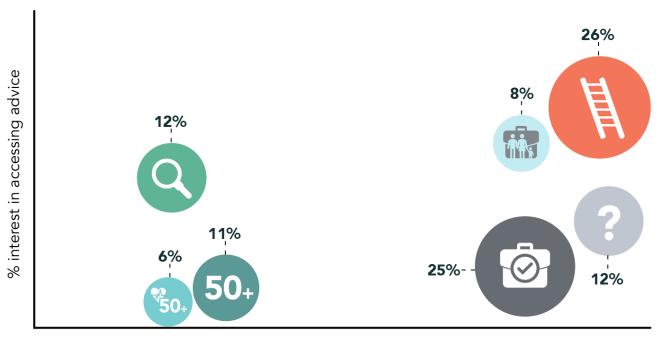
## TABLE 2 SEVEN SEGMENTS OF THE WORKING-AGE POPULATION

SEGMENT NAME	% OF TOTAL WORKING-AGE POPULATION (AGE 18-67)	SUMMARY
Content retirees and 50+ workers	11%	People in their 50s and 60s, some retired and some in work, who are not interested in accessing advice or starting a new job.
50+ affected by ill health or disability	6%	People in their 50s and 60s, the majority of whom are affected by ill health or a disability, who are not interested in accessing advice or starting a new job.
Working parents	8%	Parents, three in four of whom are women, who are currently working or looking to return to work, with the majority interested in starting a new job.
Looking for good work	12%	People who are out of work, or in work with an irregular contract, and who want to start a new job. One in two (55%) have a work- limiting health condition.
Career climbers	26%	Younger professionals with a degree working full time. Three quarters want a new job in the next few years.
Cautious but open to change	12%	Full-time workers with lower levels of qualifications. Half of the people in this segment are interested in starting a new job, but they are cautious or hesitant about change, for example worried that they don't have the skills or knowledge needed for a new job.
Satisfied workers	25%	Workers with high levels of job satisfaction and job security who are not interested in starting a new job. (Some retirees are also included, making up 11% of this segment.) <sup>53</sup>

The following figures visually illustrate the different segments.

<sup>53</sup> The segmentation analysis actually produced eight segments, rather than seven; we have grouped two segments together to form the *Satisfied workers* segment because we judged that on most of the important characteristics relevant for this research they were similar.

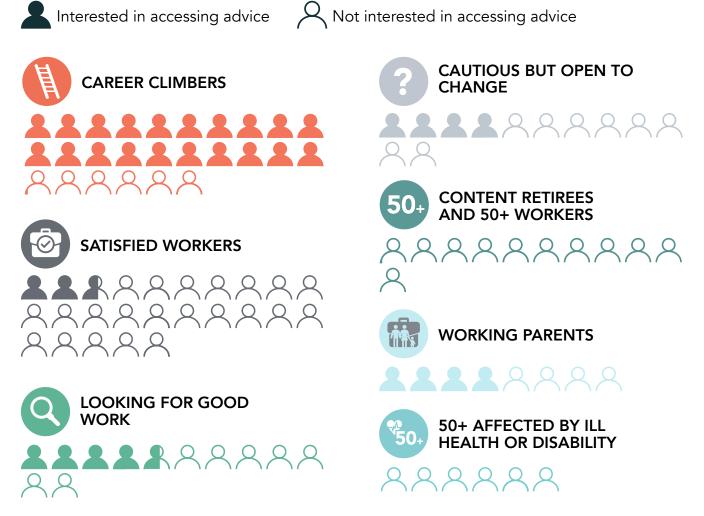
FIGURE 1 VISUAL DEPICTION OF THE SEVEN SEGMENTS



% in employment

#### FIGURE 2

THE SEVEN SEGMENTS REPRESENTED AS 100 PEOPLE



#### THREE OF OUR SEGMENTS SHOULD BE A FOCUS FOR POLICY MAKERS

Throughout this project, one of our principles has been to focus on people who are already interested in accessing advice/support and who want to start a new job, rather than focusing on those who do not. Although it is a legitimate policy objective to encourage people not currently interested to think about starting work, or changing jobs, it is inherently going to be more difficult given the importance of intrinsic motivation in successful employment, both for the employee and for the employer. For this reason, we think it makes sense to focus on offering advice to those who want to access it, at least initially.

#### Of our seven segments, there are three among whom there is low interest in either accessing advice/ support or starting a new job:

- Content retirees and 50+ workers this segment has the highest proportion of retirees (38%) of all seven segments, and our survey confirms the finding from previous Demos research that once people describe themselves as retired, they are unlikely to return to work.<sup>54</sup> Those who are in work are fairly satisfied with their job, and almost none of them want a new job.
- 50+ affected by ill health or disability this segment should be of concern to policy makers, but mostly because of the large proportion who are out of work before reaching State Pension Age. Most are in their 50s and 60s (85%), and over half (54%) have a work-limiting health condition or disability. One in three (32%) are in work, but no one in this segment wants a new job, and those who are in work are fairly satisfied with their job. This suggests that people in this segment have either (i) left work, probably due to a health condition or disability, or (ii) have a job which suits their circumstances reasonably well. People in this segment might be those where support to help them *stay in work* would be helpful along the lines of the WorkWell programme, for example but they are not actively looking to access careers advice or employment support. Given their characteristics, this segment is likely to contain people struggling with poverty pre-retirement, for whom policy makers need to think about different policy solutions other than trying to encourage them to return to work.<sup>55</sup>
- Satisfied workers this segment is characterised by high levels of job satisfaction. They are distributed across different age groups but weighted towards people aged 40+. There may be some inertia among people in this segment, but given the low levels of interest in accessing advice or support, or starting a new job, they should probably not be a priority for policy makers. This segment also includes some retirees who make up 11% of the segment.

People in the *Career climbers* segment have very high interest in starting a new job and accessing advice/ support but they should probably be a lower priority for policy makers given their other characteristics. They tend to be younger professionals: two in three (61%) have a degree, and a majority (58%) have had two or more jobs in the last five years, which suggests that in general they do not have a problem securing new jobs. This is a large segment of the population, and they should not be excluded from accessing advice/ support. For example, a high proportion (34%) are interested in "getting new skills, training or qualifications related to my work / career", and the non-graduates in this segment are the kind of people who are likely to benefit from advice on how to use the new Lifelong Learning Entitlement. Nonetheless, overall people in this segment should probably be a lower priority for policy makers.

This leaves three segments - Working parents, Looking for good work and Cautious but open to change. We ran a participatory workshop with each of these three segments, and we cover the characteristics of each segment in more detail below.

54 O'Brien, A. and Phillips, A. The Platinum Pound: Boosting employment among older workers. Demos, 13 September 2023. Available at https://demos.co.uk/research/the-platinum-pound-boosting-employment-among-older-workers [accessed 26/06/2024] 55 Otto, S. When I'm 64: A strategy to tackle poverty before state pension age. Fabian Society, 17 April 2024. Available at https://fabians.org. uk/publication/when-im-64 [accessed 26/06/2024]

## THE WORKING PARENTS SEGMENT ARE LOOKING FOR JOBS WHICH ENABLE THEM TO BALANCE WORK AND CAREER OBJECTIVES WITH FAMILY PRIORITIES

#### Demographics of the Working parents segment

The people in this segment are all parents, usually of younger children. Three in four (72%) are women, and four in five (84%) are working. Among those not working, the majority said that the main reason for this was that they were looking after family/home/children.

#### Attitudes of the Working parents segment towards work

The majority (58%) want to start a new job in the next few years, and this is split across both those in work and out of work. There is strong interest in accessing careers advice and employment support - 11% 'yes definitely' and 38% 'yes possibly'.

#### What Working parents want to get advice about

We asked respondents in our survey to tell us which topics they were most interested in accessing advice, guidance or support about. People in the Working parents segment are particularly interested in accessing advice/support about:

- Types of jobs available in my area
- Getting new skills, training or qualifications related to my work / career
- Job progression
- My work/life balance

We also asked respondents what problems they might face, if any, when looking to start a new job. By far the most common responses among this segment were:

- Caring responsibilities for my children
- Difficult to find a job with flexible working arrangements

These findings were reflected in the workshop we ran with participants from this segment. We asked participants what made a 'good job' for them, and one participant told us that he valued flexible working to fit with family life:

...having a workplace that's understanding of people who work [and] who have children and what that means and they can be flexible and they can allow me to be flexible with how I work. That's probably the most important thing now... with my current work I am able to go in quite early and leave early so I'm able to pick up my kid from nursery and spend a bit of time with her before bedtime and that really helps both for me to spend time with her and also just helps my partner as well so we can share quite a lot of the childcare too.

- Workshop participant, Working parents segment

Another participant was currently looking for a new job, and told us she would be looking for flexible hours or a part-time role:

I actually gave up my job after my maternity ended because they weren't being flexible with me. They didn't offer me part-time hours or reduced days. And we had recently got a new manager and then that obviously changed the dynamic a lot. She was new and she wasn't willing to compromise or anything like that, just wanted me to be doing the same as what I was, same hours. [...] I thought it best off me just stepping back and spending time with my baby and then I will be looking in the next few months to go back to a completely new job. And then I think it's just obviously somewhere where I probably could get part-time or reduced days.

- Workshop participant, Working parents segment

#### How Working parents want to access advice

In another question, we asked respondents *where and how* they wanted to access advice/support by speaking to an adviser. We asked respondents to select up to three options. For the Working parents segment, three options were clearly the most popular:

- 1. Online video call (46%)
- 2. Over the telephone (40%)
- 3. In a community hub or other community building (30%)

Workshop participants were also keen on the digital/online option for accessing employment advice. Participants talked about being able to access it more easily, for example during the evenings when a physical building might be closed. Participants pointed out that an in-person service might not be accessible for people with caring responsibilities, or for people working full-time.

#### Segment analysis

This segment contains a mix of parents looking to return to work and parents interested in jobs which enable them to balance work and childcare. People in this segment have a strong preference for online and remoteaccess options for getting advice, which makes sense as flexibility is a high priority for this group.

#### THE LOOKING FOR GOOD WORK SEGMENT INCLUDES PEOPLE IN AND OUT OF EMPLOYMENT WHO ARE LOOKING FOR BETTER QUALITY JOBS WHICH ENABLE THEM TO BALANCE WORK AND HEALTH

#### Demographics of the Looking for good work segment

The people in the Looking for good work segment are a mix of those in and out of work - one in three (31%) are in work and two in three (69%) are out of work. Among those out of work, the majority (53%) say that this is because of ill health or disability. A further 15% say the main reason for being out of work is because they are unemployed/currently looking for work, which is high compared to our overall sample (6% of all those out of work across the survey).

The segment is split across age groups, with a higher-than-average proportion of both younger people aged 18-30 and people in their 50s. Another important characteristic of the segment is the prevalence of health conditions: a majority (55%) have a work-limiting health condition.

#### Attitudes of the Looking for good work segment

Overall, 68% of the segment want a new job, and 41% want to access advice/support. Those in work are unusual in that 39% want to work more hours than they currently do, compared to only 12% of workers in the whole survey - which suggests a high prevalence of people who are 'underemployed' in this segment. Those in work also tend to be dissatisfied with their current jobs and feel quite insecure - one in three (34%) of those in work feel either 'not very' or 'not at all secure', compared to only 14% of all workers. Those in work are also unusually likely to have 'non-standard' types of contract, such as temporary contracts or zero-hours contracts.

#### What people in the Looking for good work segment want advice about

We asked respondents in our survey to tell us which topics they were most interested in accessing advice, guidance or support about. In the *Looking for good work* segment, the top three topics were:

- Managing my health and my work
- Types of jobs available in my area
- Types of skills or training available in my area

We also asked respondents what problems they might face, if any, when looking to start a new job. By a significant distance, the most commonly selected response was 'My own ill health or disability', selected by just over half (55%) of this segment, which fits with the same proportion saying they have a work-limiting health condition.

#### Segment analysis

As noted above there is a high level of interest in starting a new job, which makes this segment a potential target group for some of the government's programmes such as Universal Support and WorkWell.

The mix of age groups emphasises the importance of skilled advisers who are able to have an initial conversation with someone to discuss the particular issues they are facing and what kind of support might be available for them, since people in different age groups will likely need different types of support despite having otherwise similar characteristics.

This segment looks like a group that the existing system of benefits and employment support should serve and it is true that 25% of the segment have used a Jobcentre in the last two years, the highest proportion of any of our segments. However, this also means that three quarters have not accessed employment support via a Jobcentre which means that many people who want advice/support are missing out.

The fact the segment is a mixture of people who are out of work and people who are in work but dissatisfied or in insecure work suggests that our approach of focusing on people's *attitudes* - rather than their current employment status - is a helpful one. It seems likely that this segment contains people who may cycle in and out of work, and indeed 17% of those in work have had their current job less than six months - compared to just 6% across the whole sample of workers. An individual's current employment status may be a 'snapshot' rather than taking into account their broader experience of trying - and perhaps failing - to find 'good' work.

In our workshop with people from this segment, we heard examples of people who would clearly benefit from advice/support but didn't know how to access it, for example on health and work and the possibility of changing career/sector/industry.

My health is the biggest barrier, because that's why I had to give up work. And I loved my job, the pay was terrible, but I really, really enjoyed it, and I was very sad when I had to let that go and I'm having to think of an entirely new career, one which physically I'll be able to do, which is the biggest hurdle for me, because there's lots of things that I have to do differently now. So, it's finding somewhere that will accommodate that and is, I guess, understanding of it, as well as obviously being able to find the money to retrain, because I'm 35 now and these things aren't free. And with the money that I have, it just isn't enough, so that's my personal barriers for finding work.

- Workshop participant, Looking for good work segment

## THE CAUTIOUS BUT OPEN TO CHANGE SEGMENT ARE POTENTIALLY INTERESTED IN STARTING A NEW JOB, BUT ARE WORRIED ABOUT CHANGE

#### Demographics of the Cautions but open to change segment

The people in the Cautious but open to change segment are almost entirely in work (99%) and mostly working full time (71%). There are more men (61%) than women (38%) in this segment. They tend to have lower education/qualification levels: 22% have a degree compared to 39% of the working-age population. They are relatively evenly distributed by age, with a slightly higher-than-average proportion of people in their 40s.

#### Attitudes of the Cautious but open to change segment

Just over half (52%) are interested in starting a new job in the next 1-2 years (14% 'yes definitely') and 34% are interested in accessing advice/support. One reason for this is that they are less satisfied with various aspects of their current job than the average worker. For example, 18% are 'very satisfied' with their work-life balance, compared to 29% overall; similarly 19% are 'very satisfied' with their industry/sector compared to 31% overall. However, people in this segment are also somewhat cautious about change. A third (32%) have been in the same job for 10+ years, despite the reasonably high level of interest in starting a new job.

#### What people in the Cautious but open to change segment want advice about

We asked survey respondents to tell us which topics they were most interested in accessing advice, guidance or support about. In the Cautious but open to change segment, there was a broad spread of answers to this question, with no particular options standing out, suggesting that the topics people in this segment are interested in are varied.

When asked to select problems they might face applying for a new job, the top two responses this segment selected were:

- 1. Not sure I have the skills or knowledge needed (24%, compared to 15% of the whole sample)
- 2. Employers wouldn't want to hire me because of my age (21%, compared to 16% of the whole sample)

#### Segment analysis

The data above suggests that people in this segment are open to changing job or career but are probably cautious about leaving their current job and may lack confidence about looking for a new one. Participants in our workshop picked up on points around skills/qualifications and lacking confidence when we discussed challenges they might face looking for a new job.

It could be under-qualified maybe. You want to do it, could be capable of doing it but basically under-qualified. And then you have to do some retraining. Maybe that might be costly as well, depending.

- Workshop participant, Cautions but open to change segment

But also it can sometimes come down to [being] anxious. You could feel very nervous about going for the job. I know there [have] been jobs where I've went for them and I'm like, "I don't want to do it," and just actually not went for it but I probably should have. But then it's just obviously anxiety gets in the way. That obviously stops people going for some jobs as well if they feel anxious about doing that change.

- Workshop participant, Cautious but open to change segment

Many of our findings about this segment align with Phoenix Insights research and their Careers can Change campaign.<sup>56</sup> For example, Phoenix Insights research found that "the biggest barriers [to changing careers] are a lack of confidence [and] worries about being either too old or too young to make a change, or that they can't afford it."<sup>57</sup>

### PEOPLE WANT TO ACCESS A RANGE OF DIFFERENT TYPES OF ADVICE RELATED TO PRACTICAL SUPPORT, SKILLS AND PROGRESSION

In our survey and in our workshops, we asked people to tell us what types of advice or support they were interested in accessing. The top three options overall are:

- 1. My work/life balance
- 2. Getting new skills, training or qualifications
- 3. Types of jobs available in my area

In our workshops, some of the key themes that emerged were around practical support; skills/training/ qualifications; and work progression/pathways. On practical support, our participants mentioned that they would value support with things like CVs, online applications and interviews. For example, one woman in her 50s talked about wanting support with applying for jobs:

<sup>56</sup> Careers can change. Home. (no date). Available at https://careerscanchange.co.uk [accessed 26/06/2024]

<sup>57</sup> Phoenix Insights. Careers advice for longer lives. May 2023. Available at www.thephoenixgroup.com/media/tz3lgyhm/careers-advice-forlonger-lives-phoenix-insights-2023.pdf [accessed 26/06/2024]

I just keep getting told that I'm over experienced. I don't know how I can take that away from me. How do I sort of dumb it down in order to get an interview? I put in a variation of different responses [on online applications] and got nothing. So you just think, 'Oh, okay, where do I go from here?'

- Workshop participant, Looking for good work segment

Another participant talked about wanting to get some advice about interviews:

One thing [which would be] useful for me would be mock interviews. Having a chance to talk to somebody, hopefully somebody real, not an AI platform, somebody real who can give you actual feedback into how you're speaking, how you're presenting yourself on camera or in person.

- Workshop participant, Cautious but open to change segment

As with the survey, in our workshops one of the themes that stood out was people wanting advice/support with regards to skills, training and qualifications. This supports the idea that there is unmet demand for advice about how to navigate the complicated landscape of different skills and training options.

Well, me personally, obviously I'd like to know if there's any information about any courses or qualifications I could earn.

- Workshop participant, Working parents segment

Also how they could help us upgrade your skills - they could say "Look, you need Microsoft or Word or PowerPoint. These are the local courses in your area. They're free one night a week." And they'll help you upgrade your skillset to help you broaden your horizon.

- Workshop participant, Cautious but open to change segment

Another theme which came up in our workshops was that of 'progression' or 'pathways to a new job' - this fits better with the kind of support offered by qualified careers advisers, although we noticed that in our workshops few participants actually used the phrase 'careers advice' to describe this.

It would be very, very helpful if you could go somewhere [where] they give you a pathway. So, I'm here and I want to get to this point. How do I get there? What is the route to get there? I think that would be really, really helpful, because that's something that I've never encountered.

- Workshop participant, Looking for good work segment

A lot of the time... you get to an entry level job, but you never get any further. How do you actually take the next steps up? What do you actually need to do to end up in a better position?

- Workshop participant, Looking for good work segment

The variation in what people want to access shows the value of having a universal 'front door' so that anyone who wants to access advice/support can do so. At the same time, it is clear that the advice/support needs to be tailored and personalised to each individual, whether digitally or via speaking to an adviser who can redirect someone to the best source of advice/support for them. But given the differences between *groups of people* looking for advice/support and the different *types of support* people are looking for, a 'funnel' approach is, in our view, the right one - that is, a universal front door for everyone which then enables the provision of personalised support to each individual.

#### WORKSHOP PARTICIPANTS HAD A STRONG PREFERENCE FOR AN 'INDEPENDENT' OR 'IMPARTIAL' ADVICE/SUPPORT SERVICE

In our workshops, we asked our participants about their preferences regarding *what type of organisation* they would like to deliver careers advice and employment support. The key principle that emerged from these conversations is that the advice/support service must be 'independent' or 'impartial' to gain people's trust. This aligns with previous research conducted by NatCen, King's College London and Phoenix Insights, *Public Engagement in Longer Lives*, in which one of the five key interventions people identified was 'free independent career advice at any age'.<sup>58</sup> Our findings align with what the researchers noted in that report:

Trust emerged as a key factor in determining how and by whom support should be delivered. For participants, it is important that delivery agents are unbiased, independent and not tasked with forwarding any particular agenda.<sup>59</sup>

Our participants had varying views on which exact type of organisation they would like to see run the advice/ support service. In the workshops we discussed:

- A government-run public service
- A company with a government contract
- Your local council or Combined Authority
- Your employer
- A charity or other third sector organisation

Of these, there was a strong consensus *against* relying on employers to provide advice/support because people said they did not trust their employer to be independent or impartial. There were mixed views on all the other options. The single most popular option was getting support from a charity because participants had the highest level of confidence that the advice/support would be independent/impartial.

However, a number of participants said they thought it should be provided by a government-run public service - giving reasons such as the idea that it should be a public service so that everyone has access to it. A few participants did express some concerns about whether the government would provide enough funding to make it a high-quality service, while others expressed concern that a government-run public service would want to 'push' people into work rather than having the individual's best interests at heart. Our conclusion is that while all of these options, apart from employers, have the potential to work - and indeed we do already have a 'mixed market' of different types of provision - the 'independence' principle is key to gaining and maintaining people's trust.

#### OUR PARTICIPANTS' OVERALL TOP PREFERENCE WAS FOR A DIGITAL/REMOTE SERVICE

Through this research project, we also explored citizens' preferences regarding a digital/remote service compared to an in-person service. Overall, considering our survey findings and the preferences of our workshop participants, there is a clear first preference for a digital/remote service. It is of course important to note that though this is the majority view, digital services are not accessible to everyone, which is important for policy makers to bear in mind (see Section 4).

In our survey we asked respondents, "Imagine you had the opportunity to speak to a professional who offers advice, guidance or support to people about their work or career. How would you like to have this conversation?" We asked respondents to pick up to three options. The most popular options are listed below.

- On an online video call (30%)
- Over the telephone (29%)

<sup>58</sup> Lucas, O. and others. Public Engagement in Longer Lives. Phoenix Insights, August 2022. Available at www.thephoenixgroup.com/media/ ybdjuzvl/phoenix-insights-public-engagement-in-longer-lives.pdf [accessed 26/06/2024]

<sup>59</sup> Lucas, O. and others. Public Engagement in Longer Lives. Phoenix Insights, August 2022, p. 36. Available at www.thephoenixgroup.com/ media/ybdjuzvl/phoenix-insights-public-engagement-in-longer-lives.pdf [accessed 26/06/2024]

- In a community hub or other community building (22%)
- A building/office on my local high street (21%)
- Using a webchat tool (21%)

Similarly, our workshop participants said they could see the value of both a digital/remote service and an in-person service, either based on personal preference or thinking more widely about what kind of service would work well for everyone. For example, some participants pointed out that an in-person service could be important for people who don't have access to a computer, while others said that a digital/remote service would be important to make it accessible for people who might find it difficult to access an in-person service - for example, due to work or caring responsibilities.

At the end of each workshop we asked people to evaluate and compare different policy options for making careers advice and employment support more accessible (these are not mutually exclusive options, but we presented them as four separate options to get people's feedback):

- 1. Reforming Jobcentres
- 2. Reforming the National Careers Service
- 3. Introducing a new digital/remote service
- 4. Introducing a new in-person service based in community hubs

Overall, the first of these (reforming Jobcentres) was the least popular. The other options all got some support, with some participants pointing out that for example (2) and (3) could be combined. Overall, our participants liked the idea of having both digital and in-person options, with several people mentioning they would like to see a combination of (3) and (4). However, when we asked participants to pick just one option, the most popular was (3) as participants felt this would be helpful and accessible for the largest number of people.

My first choice would be number three... where I can just read some advice and get information about training or some tips for people looking for jobs. And my second choice would be a conversation with an adviser, but probably online. But I do realise that some people prefer inperson appointments, so it's a good idea to have [some] offices for people [as well].

- Workshop participant, Cautious but open to change segment

I think if you had a finite budget for all of the options, this [online one] is the one that would help the most people and reach more people. And it's something that if you're out of work, it can help. Even if you're in work, you may only have a bit of time in the evening, you can use it to upskill and get ideas or just to learn a little bit more about options. The fact that it is online and always accessible, I think that's really useful and helpful.

- Workshop participant, Working parents segment

## **SECTION 4** RECOMMENDATIONS -AN EMPLOYMENT ADVICE GUARANTEE AND A DIGITAL FRONT DOOR

#### **SUMMARY OF SECTION 4**

In this section we set out two overarching recommendations for the new government. First, we recommend that the government should introduce an 'Employment Advice Guarantee'.

The government guarantees that:

- a. If you want advice or support related to jobs, careers or work, you will be able to access it. This applies to everyone, whether you've currently got a job or not. This includes both online resources and the option of speaking to an adviser, either by video/telephone call or face-toface, to talk about your situation and find out more about the options available to you. This could be advice on getting a job, staying in work or changing job or career.
- **b.** If you haven't currently got a job, you will be able to access additional advice or support, suited to your circumstances, to help you get a job.

Second, we recommend that the government should create a digital 'front door' to careers advice and employment support services, called Jobs and Careers Service England.

- The government should provide £50 million funding to DWP to create and run Jobs and Careers Service England in its first year.
- This should be grant funding to ensure Jobs and Careers Service England can effectively perform its 'front door' referral/signposting role without competing with or duplicating other services.

- The service should offer digital resources, a 'find advice and support near me' tool and the opportunity to speak to an adviser by telephone, video call or webchat.
- For people who want to speak to an adviser face-to-face, initially the service should refer them to existing organisations (such as a local programme, scheme or organisation near them, or to a National Careers Service adviser who works in the community, for example)
- DWP should form a new multidisciplinary team to design and develop Jobs and Careers Service England, including colleagues from DWP, DfE and the Government Digital Service.
- The team should take a 'test and learn' approach to designing Jobs and Careers Service England, gradually growing it over time, and learning from existing examples of 'front door' or 'one stop shop' websites.
- Jobs and Careers Service England should replace the existing government websites Job Help and Skills for Careers.
- The service must work closely with Combined and Local Authorities, for example referring people to existing regional and local websites, or to advisers working for Local Authorities, as appropriate.
- Jobs and Careers Service England should initially be separate from the National Careers Service, but refer people to National Careers Service advisers as appropriate.
- The team should test different ways of promoting and marketing Jobs and Careers Service England, especially to the three specific segments we identified in our research as being interested in accessing employment advice.

Having explored our research findings in the previous section, in this section we set out our recommendations for policy makers. We note that what we describe here only applies to England, as employment, skills and careers services are devolved (or semi-devolved) in Scotland, Wales and Northern Ireland. However, we think a similar approach should be taken in each part of the UK; indeed some of what we recommend is inspired by the Welsh Government's Working Wales initiative and website, which aims to provide a 'front door' to employment and careers services in Wales.

#### INTRODUCE AN 'EMPLOYMENT ADVICE GUARANTEE'

One of the key conclusions from our research is that there is unmet demand for careers advice and employment support, spanning people both in and out of work. Our argument in this report is that policy makers should focus on providing advice and support to people who want to access it.

This may sound like an obvious point, but many existing services and programmes do not operate in a 'demand-led' way. Jobcentre Plus focuses on people receiving benefits, as do most programmes commissioned by DWP. The National Careers Service is open to anyone in England in theory, but in practice focuses on providing support to 'priority groups' rather than being demand-led due to the way it is funded. Other organisations and programmes that provide advice/support often have narrow eligibility criteria. There are some which do offer advice/support to anyone (for example, anyone living in the Local Authority area) but these often have a limited marketing budget, and so in practice have to rely on referrals from other organisations, usually Jobcentres. This is not to criticise the excellent outreach work undertaken by many organisations and practitioners, but rather to point out the fragmented and disjointed nature of the available support, as Demos explored in our research report A *Tapestry of Services.*<sup>60</sup>

It is imperative that we reform this fragmented system. As we explored in Section 1, the UK faces serious challenges regarding workforce participation and productivity, and our current system of careers and

<sup>60</sup> Phillips, A. and Stephenson, C. A Tapestry of Services: Employment, skills and careers support in East Birmingham and North Solihull. Demos, 3 August 2023. Available at https://demos.co.uk/research/a-tapestry-of-services-employment-skills-and-careers-support-in-eastbirmingham-and-north-solihull [accessed 26/06/2024]

employment advice is not designed to meet the challenges which we face as a country in this Parliament and beyond.

The underlying principle which policy makers should adopt is that advice should be available for anyone who wants to access it. We suggest the following 'Employment Advice Guarantee' should guide reform:

The government guarantees that:

- a. If you want advice or support related to jobs, careers or work, you will be able to access it. This applies to everyone, whether you've currently got a job or not. This includes both online resources and the option of speaking to an adviser, either by video/telephone call or face-to-face, to talk about your situation and find out more about the options available to you. This could be advice on getting a job, staying in work or changing job or career.
- **b.** If you haven't currently got a job, you will be able to access additional advice or support, suited to your circumstances, to help you get a job.

If reform is guided by this guarantee, it will ensure a minimum level of advice is available to everyone. The aim should be to ensure that everyone has the option of speaking to an adviser either online/remotely or face-to-face. However, recognising that there are some practical limitations which may not make it possible to guarantee everyone can have a face-to-face conversation with an adviser, the guarantee simply states that everyone will have the option of speaking to an adviser.

Different people will need different types and levels of support. Recognising resource constraints, the guarantee includes a second point that people who are out of work will be able to access what is described as 'additional advice or support, suited to your circumstances'. Most areas already have at least one organisation or programme which would meet this description to which people could be directed, but we recognise that in some places (for example, more rural areas) this may require additional provision to be put in place.

## CREATE A 'DIGITAL FRONT DOOR' TO MAKE IT EASY TO ACCESS CAREERS ADVICE AND EMPLOYMENT SUPPORT, CALLED JOBS AND CAREERS SERVICE ENGLAND

The second recommendation is that, as a first step to delivering the Employment Advice Guarantee, the government should create a digital 'front door' called *Jobs and Careers Service England*. The aim of this 'front door' should be to make it as easy as possible for people in England to access careers advice and employment support.

There are four main reasons we recommend starting by creating a digital 'front door': it is rooted in what people actually want to use; it is accessible to a wide range of people; it can help make better use of existing resources; and it does not require a large amount of funding.

First, a digital 'front door' is rooted in what people actually want to use: in our survey and workshops, people told us that they wanted a digital and remote-access advice service as a priority. This reflects its greater convenience for many people, and some participants talked about wanting to have agency themselves, rather than relying entirely on speaking to an adviser in person. For example, people in the *Working parents* segment said that an online/remote-access service was important because it was more convenient for them when thinking about childcare. Similarly, for the *Cautious but open to change segment*, almost everyone is in employment, and so most would not easily be able to use an in-person service which was only open during weekday working hours. Our workshop participants also told us it is important to have a separate brand to Jobcentre Plus: as we describe above, some participants in our workshops had very negative perceptions of the Jobcentre brand and said they would not want to walk into a Jobcentre to get advice, even if the rules were changed so that they could.

Second, a digital 'front door' is inclusive and accessible to a greater number of people, including, for example, people in employment, people with caring responsibilities, people with health conditions or disabilities, and people living in rural areas. (However, we also recognise that digital exclusion affects many people in England; the government should promote digital inclusion, and at the same time there must also be in-person services to ensure everyone has access to employment advice.)<sup>61</sup>

Third, a digital 'front door' can make better use of existing programmes and services *which central government, local government and other actors are already funding.* Many of these programmes, organisations or services exist but most people are simply unaware of them. A single, unified front door can ensure people know that these services exist, and make it easier for people to get in touch with the providers of these programmes. Currently, many providers have to do their own marketing for each individual programme or service. A digital front door would simplify this process and make better use of existing government funding, by enabling provider organisations to focus on delivering support rather than having to spend resources on marketing/promotion.

Fourth, initially creating Jobs and Careers Service England as a digital front door is cost-effective for the government. We recommend that the government should allocate £50m to DWP to set up and run Jobs and Careers Service England for its first year. For comparison, the previous government allocated £580m for the Restart programme, £365m for Universal Support and £65m for WorkWell (costs in 2025/26).

It is crucial that the funding provided is grant funding, in order to ensure that Jobs and Careers Service England can effectively fulfil its role as a digital 'front door' referring or signposting people to a range of existing provision, rather than competing with or duplicating existing services and programmes. This is also important to ensure it wins the support and cooperation of existing services and organisations - they will not work with Jobs and Careers Service England if they see it as a competitor trying to steal their outcomesrelated funding.

#### THE DIGITAL 'FRONT DOOR' SHOULD HAVE ONE BRAND BUT OFFER PERSONALISATION

In the last few years central and local government have experimented with creating websites which are moving towards offering a 'front door' to accessing careers advice and employment support. From central government, these include Job Help, Skills for Careers and the National Careers Service website. Some regions or local areas have also experimented with creating their own, such as EmployGM (Greater Manchester Combined Authority) and One Front Door (Bristol City Council and West of England Combined Authority). We provide a list of relevant examples in the Annex to this report.

Based on our research, our conclusion is that it is better to have a single, unified 'front door' with one brand in order to increase brand awareness. As we discuss in the previous section, the 'Employment Advice Guarantee' should state that anyone who wants to access advice will be able to, but this only works if people know it is available and know how to find it. Our workshop participants were clear that they preferred a single brand with a marketing strategy to ensure people know it exists - several participants told us that, in their view, there was no point in introducing changes if people were unaware of the new service.

Our key recommendation is, therefore, that there should be a *single unified front door run by central government for England*, but that its main aim should be to redirect people to advice/support relevant to them. In practical terms, this means:

- Creating a new brand we have used 'Jobs and Careers Service England' in this report as a placeholder
- Initially, Jobs and Careers Service England should be set up as a new website, taking inspiration from existing examples (see the Annex), as well as user testing and feedback. As soon as it is viable, it should replace the existing websites Job Help and Skills for Careers. These websites are part way towards being a 'front door' service, but it would be better to start from scratch to give the design team of Jobs and Careers Service England maximum flexibility. Our workshop participants talked about wanting to access practical employment support (such as advice on CVs), careers advice and skills/training advice and saw these as all connected - hence our recommendation to combine these resources into one rather than have them on separate websites.
- The website should be operational without personalisation, but offer personalisation as soon as a user arrives.
- The website should ask for some basic information such as the user's age and current employment status. The website should then be personalised according to these factors - for example, adapting to provide advice or information relevant for people out of work or people in work. Similarly, the website should change to offer support/advice relevant to young people or people in their 50s and 60s, depending on the person's age. We know from previous research conducted by the Centre for Ageing Better that this

kind of personalisation receives positive feedback from people in their 50s and 60s.62

- A 'What advice and support is available near me?' function should ask people to input their postcode, and then provide information and links about what is available locally for example, redirecting Greater Manchester residents to EmployGM, or listing specific services to get in touch with, such as the local Youth Employment Hub for young people. We recognise that this will require regular updates, but it is in the interest of both funders and providers to do this. This is also particularly important in the context of devolution.
- To aid with the above, the design team should explore integrating a chatbot to effectively guide citizens to relevant support materials and opportunities, subject to testing to ensure people find it helpful and that it is accurate. It is important to emphasise that this should not replace getting advice from a human adviser: trained advisers provide a human connection and a higher quality of service in dealing with the unique considerations of each individual case. The team creating the website should explore whether this should be a standard customer service chatbot, or whether it should be integrated with a specific AI tool like ChatGPT. On the one hand using an AI tool might improve the quality, but on the other it may also be more expensive or not be necessary for the relatively straightforward tasks envisaged in this report.
- The website should offer information and digital resources. The design team should commission research to understand what types of online resources users would find most useful.

#### DWP SHOULD LEAD A MULTIDISCIPLINARY TEAM TO SET UP THE DIGITAL 'FRONT DOOR', TAKING A 'TEST AND LEARN' APPROACH

Drawing on some of the principles set out in Nesta and Public Digital's *The Radical How*, the government should establish a multidisciplinary team to work on creating the digital front door.<sup>63</sup> We recommend that the government make DWP the responsible department and that DWP form a new multidisciplinary team to design and develop Jobs and Careers Service England, including colleagues from DWP, DfE and the Government Digital Service. The team should be given flexibility over design and take a 'test and learn' approach, rather than aiming to design it perfectly first time. This will help avoid two problems: first, requiring large-scale upfront investment and second, avoiding the service being overwhelmed by demand.

This means that the new government can make a start on developing the digital front door immediately, drawing on the lessons which can be taken from the existing central government websites Job Help, Skills for Careers and National Careers Service websites.

It also means that the government does not need to commit a large amount of funding initially. Clearly, as it scales up there will be further cost implications, especially marketing, but it does not need a significant amount of resources to get started.

The design team should be given flexibility to test different approaches and functions, working iteratively to gradually improve. A sensible approach might be to work with, for example, two regions or local areas to learn how to efficiently refer people to existing programmes/services, certainly long before trying to scale up across the whole of England.

As the front door gradually develops, Job Help and Skills for Careers websites should be closed and redirect people to Jobs and Careers Service England. This is also the point at which the government can start to increase marketing, to increase the number of people using the service. By this point the service will have been tested and iterated, so the government will then be able to invest with confidence - providing additional funding for marketing and increasing the number of advisers available.

## JOBS AND CAREERS SERVICE ENGLAND ADVISERS SHOULD PROVIDE A 'WELCOME AND TRIAGE' SERVICE

Our proposed Employment Advice Guarantee includes the option of speaking to an adviser. Here we want to differentiate between two different types of adviser.

<sup>62</sup> Centre for Ageing Better. Improving employment support for over 50s in Greater Manchester. January 2022. Available at https://ageing-

better.org.uk/sites/default/files/2022-10/50%2B-Employment-Support-Full-Report.pdf [accessed 26/06/2024]

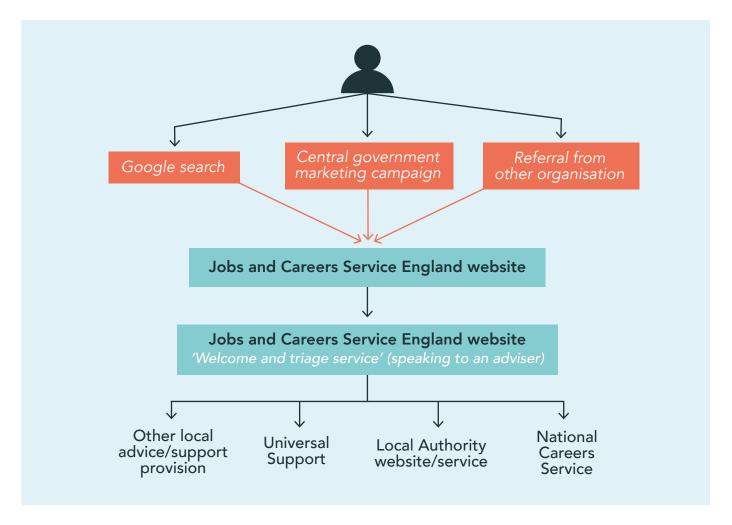
<sup>63</sup> Greenway, A. and Loosemore, T. The Radical How. Nesta and Public Digital. Available at https://options2040.co.uk/wp-content/ uploads/2024/02/The-Radical-How.pdf [accessed 26/06/2024]

Jobs and Careers Service England advisers should provide what might be called a 'welcome and triage' service. We are borrowing this phrase from Chris Naylor's recent essay about reforms at Barking and Dagenham Council when they introduced a service called Community Solutions.<sup>64</sup> One key insight from Naylor's essay is that public service reform needs to move towards services "designed around lives, not professions". In the 'welcome and triage' team, this type of adviser's role is to have an open-ended conversation to explore what kind of advice/support somebody is looking for. In most cases, we envisage this type of adviser redirecting somebody to another person, organisation, programme or service relevant to them. This is a highly skilled role requiring excellent communication and interpersonal skills as well as detailed knowledge of relevant advice/support services that are available. Since the 'welcome and triage advisers' will be people's first point of contact with the service, its reputation will be shaped by people's experiences of these initial conversations; they therefore must have high-quality training and opportunities for professional development.

At this point, 'welcome and triage' advisers can direct people to a relevant service/programme for them (for example, somebody out of work with a health condition could be directed to Universal Support; a young person could be directed to a Youth Employment Hub in their local area; somebody who wants advice on what jobs are available locally could be referred to an employment support service run by their Local Authority). Other people, however, will need what usually comes under the description of 'careers advice' - including changing career, career progression or advice on skills/training/qualifications. In the short term, we recommend that this function should be performed by National Careers Service advisers, utilising the existing infrastructure that is already in place. The following flow diagram provides an illustration of how this could work.



EXAMPLE JOBS AND CAREERS SERVICE ENGLAND 'USER JOURNEY'



64 Naylor, C. Only We Can Save the State: Lessons for national government from public service reform in Barking and Dagenham. Demos, 11 June 2024. Available at https://demos.co.uk/research/only-we-can-save-the-state-lessons-for-national-government-from-public-service-reform-in-barking-and-dagenham [accessed 26/06/2024]

#### IN THE SHORT TERM, USE EXISTING RESOURCES TO OFFER FACE-TO-FACE ADVICE

In the short term, we believe it would be possible to offer most people face-to-face meetings with advisers using existing resources, for example by referring people to Jobcentre Plus (if eligible for benefits), National Careers Service advisers who are based in the community, or advisers working for Local Authorities or VCS organisations. However, we recognise that spare capacity may not exist in all areas of the country, and so this may not be possible for everyone.

## IN THE MEDIUM TERM, THE NATIONAL CAREERS SERVICE SHOULD BE INTEGRATED INTO JOBS AND CAREERS SERVICE ENGLAND

In the short term, Jobs and Careers Service England should be separate from the National Careers Service, although working with them and referring users to National Careers Service advisers, as described above. We recommend this for two main reasons: first, to ensure the new service is designed from first principles to serve the needs of all users, and second, because of flaws in how the National Careers Service is currently funded, which would make it hard for it to fulfil the 'front door' function described in this report.

In the medium term, the National Careers Service should be transferred from DfE to DWP and integrated into Jobs and Careers Service England. At this point, Jobs and Careers Service England would be responsible for both the 'welcome and triage' function and the 'specialist careers advice' function. The service would also become responsible for overseeing the provision of advice in community-based physical locations (such as hubs, libraries, community centres and Jobcentres).

### IN THE MEDIUM TERM, INTEGRATE THE DIGITAL FRONT DOOR WITH AN IN-PERSON UNIVERSAL WORK SERVICE

In the medium term, it is clear that deeper structural reforms are required beyond just creating a digital front door - the front door is a first step, with further reforms to come. Demos has previously recommended a Universal Work Service, an in-person and digital public employment service open to anyone, which this research builds on.<sup>65</sup> In this model, the government should establish a physical equivalent to the digital front door: anyone should be able to access the service in person and have a face-to-face conversation with an adviser. Some areas already have 'employment and skills hubs' in community buildings, which offer exactly this kind of service, but many areas do not.

Our proposal for a digital front door in this report should be brought together with our Universal Work Service proposal as well as the forthcoming work of the Commission on the Future of Employment Support to shape reform of employment support and careers advice services.<sup>66</sup>

## PROMOTE JOBS AND CAREERS SERVICE ENGLAND THROUGH MARKETING STRATEGIES FOR DIFFERENT SEGMENTS AND GROUPS

Promoting the 'front door service' to different segments and groups will require different strategies. The segmentation analysis in this research highlights some of the groups that the government could target, while consideration should be given to both 'mass marketing' and 'referral' processes.

On the 'mass marketing' side, there are clear opportunities for the government to promote the 'front door service' accompanying other communications. For example, the government has a communications programme aimed at parents regarding childcare and schools; adding promotion of *Jobs and Careers Service England* to this programme with appropriate messaging could work well to reach people in the *Working parents* segment. Similarly, different marketing strategies could be developed for the Looking for good work segment - for example, marketing the provision of advice for working with a health condition or disability could reach people in this segment, perhaps with leaflets in health settings. The *Cautious but open to change* segment are almost all in employment, so for them a marketing strategy would need to focus on 'careers

<sup>65</sup> Phillips, A. Working Together: The case for universal employment support. Demos, 7 May 2022. Available at https://demos.co.uk/research/ working-together-the-case-for-universal-employment-support [accessed 26/06/2024]

<sup>66</sup> Institute for Employment Studies. The Commission on the Future of Employment Support. 25 July 2023. Available at www.employmentstudies.co.uk/commission [accessed 26/06/2024]

advice' (or a similar phrase), to boost awareness that this kind of advice is available for people in work, not just those out of work. Other forms of proactive marketing could also be considered - for example, proactive communication about the availability of support to people when they are facing redundancy.

Consideration should also be given to 'referral' processes to reach people who access other services. This could include simple physical leaflets with QR codes that could be given to people in community settings. For example, somebody providing debt and financial advice could easily give someone one leaflet to look at Jobs and Careers Service England, rather than having 10 different leaflets for 10 different programmes/services (which is, roughly speaking, what currently happens).

# CONCLUSION

The new government has committed in its manifesto to providing "a national jobs and careers service, focused on getting people into work and helping them get on at work". This report sets out two of the first steps the new government should take to deliver this manifesto commitment: first, instituting an Employment Advice Guarantee, and second, creating a 'digital front door' to make it much easier for people to access employment support and careers advice. These are practical first steps which can be delivered quickly, while also supporting medium-term reforms to the wider system of employment, skills and careers advice.

The UK's labour market has struggled since the pandemic; we can no longer afford to ignore the millions of people who want advice but can't currently access it. By implementing these recommendations, the new government can close the 'employment advice gap' and 'back to work support gap' identified in this report. In turn, this will help grow employment, increase productivity and make an important contribution to achieving the government's mission to boost economic growth.

## **ANNEX** EXAMPLES OF SERVICES AND WEBSITES WHICH PROVIDE ACCESS OR REFERRALS TO CAREERS, EMPLOYMENT AND SKILLS ADVICE

The following list includes some examples of services and websites that provide access or referrals to careers, employment and skills advice.

#### The following three websites apply to Britain or to England:

- JobHelp (DWP): <u>https://jobhelp.campaign.gov.uk</u>
- Skills for Careers (DfE): <u>https://www.skillsforcareers.education.gov.uk</u>
- National Careers Service (DfE): <u>https://nationalcareers.service.gov.uk</u>

### The following websites are the equivalents of the National Careers Service in Scotland, Wales and Northern Ireland respectively:

- My World of Work (Scotland): <u>https://www.myworldofwork.co.uk</u>
- Careers Wales: <u>https://careerswales.gov.wales</u>
- The Careers Service (Northern Ireland): https://www.nidirect.gov.uk/campaigns/careers

The following websites have some of the functions that we describe in our recommendations, including information about advice and support available in the local area, digital resources, online webchat tools and the opportunity to speak to an adviser. These are sometimes specifically described as 'front door' or 'one stop shop' websites, aiming to bring information about different services, programmes and initiatives together in one place. Where these already exist, we recommend that the national 'front door' (in England) should include a link to the relevant website depending on where the user lives.

#### <u>England</u>

- EmployGM (Greater Manchester): <u>https://employgm.org</u>
- One Front Door (Bristol): <u>https://onefrontdoor.org.uk</u>
- Cornwall Opportunities: <u>https://www.cornwall-opportunities.co.uk</u>
- Good Work Camden: <u>https://goodwork.camden.gov.uk</u>
- West London Skills and Work Finder: <u>https://wlskillsandworkfinder.co.uk</u>
- Skills Connect (West of England Combined Authority): <u>https://www.skillsconnect.org.uk</u>

- Hackney Opportunities: <u>https://opportunities.hackney.gov.uk</u>
- FutureGoals (West Yorkshire Combined Authority): <u>https://www.futuregoals.co.uk</u>
- Find adult learning opportunities near you (London): <u>https://www.london.gov.uk/programmes-strategies/jobs-and-skills/find-adult-learning-providers-near-me</u>
- Work and Thrive Newcastle: <u>https://workandthrivenewcastle.org.uk</u>

#### Scotland, Wales and Northern Ireland

- Working Wales: <u>https://workingwales.gov.wales</u>
- Employability in Scotland (Scottish Government): <u>https://www.employabilityinscotland.com</u>
- Take the Next Step (Belfast): https://www.belfastcity.gov.uk/takethenextstep
- Gateway to Choices (Belfast) includes mobile app: <u>https://www.belfastcity.gov.uk/gatewaytochoices</u>

#### International examples

Workforce Australia: <u>https://www.workforceaustralia.gov.au</u>

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