



National Audit Office



REPORT

Supporting people to work through jobcentres

Department for Work & Pensions

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Key facts

1.6mn

number of Universal Credit (UC) claimants in the Intensive Work Search category, who receive the most support from jobcentres, in October 2024

**2,100
(10.9%)**

shortfall of work coaches (number and percentage) against the Department for Work & Pensions' (DWP's) estimate of need in the first six months of 2024-25

8.2%

average monthly into-work rate in 2023-24 for UC claimants in the Intensive Work Search category, a reduction from 9.7% in 2021-22

646

number of jobcentres across Great Britain in January 2025

£1.2 billion

DWP's spending on jobcentres in 2023-24 (excluding estates, digital and other corporate costs)

80%

the government's long-term ambition for the employment rate, which has been around 75% for people aged 16 to 64 since mid-2020

57%

proportion of jobcentres that used flexibilities allowed by DWP to manage their workload, by reducing the support they provide for UC claimants when their caseload per work coach is high, from September 2023 to November 2024

5.5% to 10.8%

range in average monthly into-work rates for the 37 DWP jobcentre districts, from December 2023 to November 2024

Summary

1 The Department for Work & Pensions (DWP) aims to help people move into work and to support those already in work to progress, with the aim of increasing overall workforce participation. Its outcome delivery plan for 2023 to 2025 included an objective to maximise employment, reduce economic inactivity, and support the progression of those in work.

2 DWP relies on its jobcentres to help people seeking employment or wanting to progress in work. In January 2025, there were 646 jobcentres across Great Britain, organised into seven regions and 37 districts. In 2023-24, DWP spent £1.2 billion on jobcentres (excluding estates, digital and other corporate costs). Staff costs comprised 93% of this total. Within each jobcentre, work coaches play a critical role working directly with Universal Credit (UC) claimants to identify their needs and provide support.

3 UC is a benefit to help with living costs, paid to people who are out of work, who cannot work or who have a low income. In October 2024, there were 7.2 million people claiming UC. Of these, 2.5 million were below the earnings threshold where DWP can impose conditions on their UC claim – 1.6 million in what DWP calls the ‘Intensive Work Search’ category and 0.9 million in the ‘Light Touch’ category. Conditions can include undertaking a specified number of hours of activity to prepare for and look for work, and meeting with a work coach regularly.

4 In November 2024, the new government published a white paper, *Get Britain Working*, which set out its plans for reforming employment support, including the role of jobcentres.¹ Its aims include “bringing together skills and health to get more people into work and to get on in work”.

Focus of our report

5 The purpose of this report is to set out the facts about how jobcentres support people to work in order to inform public debate and support scrutiny of the implementation of the government’s reforms. Our work was not designed to assess the value for money of DWP’s spending on jobcentres. The report sets out:

- the system for supporting people to work, including explaining what jobcentres do and the support they provide to UC claimants (Part One);
- the demand for, and supply of, support through jobcentres, including whether DWP has enough work coaches to meet demand (Part Two); and
- the performance of jobcentres (Part Three).

Details of our audit approach and evidence base are set out in Appendix One.

¹ HM Government, *Get Britain Working*, CP 1191, November 2024.

Key findings

The system for supporting people to work through jobcentres

6 The network of 646 jobcentres across Great Britain is DWP's main mechanism for supporting UC claimants to work. DWP expects its jobcentres to provide tailored advice and support to help UC claimants move into work and progress. Jobcentres are also involved in administering UC and other working-age benefits, and monitoring whether claimants are meeting the conditions of the benefits they are receiving. Work coaches at jobcentres have a range of options available to support claimants. As well as providing advice and support, work coaches can refer claimants to DWP's employment support programmes and to job opportunities and support provided locally by organisations such as local authorities, training providers and colleges. Jobcentres can also provide claimants with financial support to help with the costs of, for example, clothing and travel to attend interviews (paragraphs 1.2 to 1.5, and Figure 1).

7 DWP tailors the support its jobcentres provide to UC claimants, based on their earnings and personal circumstances. DWP uses six labour market categories to determine the level of support a UC claimant receives and the activities they may be required to complete. Three of the categories are based on claimants' earnings. DWP places people with the lowest earnings into the Intensive Work Search category and requires them to undertake work-related activities. The other three categories are based on claimants' personal circumstances, such as whether they have caring responsibilities or a health condition that limits their capacity to work. DWP requires its jobcentres to provide a nationally consistent, centrally defined service that it judges will maximise employment and earnings for UC claimants. Its model focuses on supporting UC claimants in the Intensive Work Search category through regular meetings with their work coach, comprising weekly meetings for the first 13 weeks of a person's claim and either weekly or fortnightly meetings after 13 weeks (paragraphs 1.9 to 1.11, and Figure 3).

8 There are limitations in the evidence base for DWP's model for supporting claimants to work, with its most recent evaluation dating from 2015. DWP designed its central support model based on evaluations that assessed the impact of adjusting aspects of the meetings between claimants and work coaches. These evaluations were randomised control trials undertaken from 2005 to 2015. They focused on Jobseeker's Allowance claimants and did not cover claimants of UC, which had not been rolled out nationally at that time. The evaluations also focused on the number of days claimants were off Jobseeker's Allowance rather than their earnings while in work. At the time of our work, DWP had ongoing work to enhance its evidence base and explore the impact of potential changes to its support model. It is testing the impact of alternative communication channels (telephone and video) and of reducing the frequency of meetings (paragraphs 1.12 to 1.14).

9 The new government’s plans for reforming employment support include creating a jobs and careers service, bringing together jobcentres with the National Careers Service in England. The government intends that the new jobs and careers service will “prioritise providing genuine support for people over monitoring compliance and benefits administration”. Its November 2024 white paper set out that the new service will have objectives which focus on:

- employment – supporting a reduction in unemployment nationally and reducing regional disparities in unemployment rates;
- earnings – enabling individuals to make informed choices about their careers, including helping them to boost their skills and move into higher-paid, higher-quality and more productive work, and supporting economic growth; and
- engagement – providing a universal service, not just support for benefit recipients.

The government has allocated £55 million in 2025-26 for investment in new digital prototypes and tests and trials of elements of the jobs and careers service. It described the plans set out in the white paper as the first steps to delivering its long-term ambition to achieve an 80% employment rate (paragraphs 1.15 to 1.18).

Demand for, and supply of, support through jobcentres

10 The number of UC claimants in categories where DWP could require them to receive support from a work coach increased from 2.6 million in October 2023 to 3.0 million in October 2024. The scale of support needed depends on the number of UC claimants in DWP’s various labour market categories. In October 2024, DWP could require a total of 2.5 million claimants, based on their earnings, to receive significant support from a work coach – 1.6 million in the Intensive Work Search category and 0.9 million in the Light Touch category. It could also require a further 0.5 million claimants, based on their personal circumstances, to receive some support from a work coach to help them prepare to return to work. The number of claimants in the Intensive Work Search category rose after DWP increased the earnings threshold it applies – the majority of work coach resource is spent supporting claimants in this category. The number of claimants with no work-related requirements (including people with health conditions and disabilities) stood at 2.9 million in October 2024 (paragraphs 1.10 and 2.5 to 2.7, and Figure 4).

11 DWP has not had enough work coaches to meet the expected demand for jobcentre support in the past three years, with shortfalls in five of its seven regions in 2023-24.

DWP models the expected demand for support to determine the number of work coaches it needs for service delivery. In 2022-23, on average, DWP had 2,300 (13.2% of total demand) fewer work coaches than it estimated it needed. This shortfall decreased to 1,400 (8.6%) in 2023-24 before increasing to 2,100 (10.9%) on average in the first six months of 2024-25. Five of DWP's seven regions had a shortfall of work coaches in 2023-24, with the largest percentage shortfall in Southern England (382 work coaches, 12.3% of those needed). The shortfall in work coaches was due to a combination of factors including funding and challenges with recruiting and retaining staff. Overall, DWP secured funding for fewer work coaches than it estimated it needed to meet demand. For the first six months of 2024-25, it assessed it would need on average 18,900 work coaches but had funding for between 17,600 and 18,000 (paragraphs 2.2 and 2.8 to 2.12, and Figures 5 and 6).

12 To help manage the shortfall in work coaches, DWP has prioritised supporting UC claimants in the Intensive Work Search category, who totalled 1.6 million in October 2024.

In implementing measures to deal with the shortfall in work coaches, DWP aims to maximise the number of people it supports into work while minimising any adverse impact on levels of benefit expenditure and fraud and error. For example, there is a risk that less frequent interactions with claimants may lead to higher expenditure as claimants will spend more time on benefits, or increased fraud and error because work coaches will have fewer opportunities to check, for example, whether claimants' circumstances have changed. DWP had to obtain approval from HM Treasury for changes to help manage shortfalls in work coaches that involved a potential impact on benefit expenditure. DWP has focused its support on claimants in the Intensive Work Search category, maintaining their weekly and fortnightly meetings with work coaches. It postponed its plans to introduce conditions for claimants in the Light Touch category, which would have meant these claimants meeting regularly with a work coach. It estimated that postponing the change meant it would need 900 fewer work coaches in 2024-25 than it would otherwise have done. DWP has also made changes to processes in order to improve work coach productivity (paragraphs 2.5 and 2.13 to 2.16).

13 More than half of jobcentres have used flexibilities allowed by DWP to reduce the support they provide for claimants when their caseload is too high.

DWP has funded jobcentres to operate with a caseload per work coach of around 100 cases in the Intensive Work Search category. In September 2024, at district level, average caseload ranged from 67 to 123 cases per work coach. In September 2023, DWP introduced a national framework for local flexibility, which provides jobcentres with guidance on how to prioritise their resources in a consistent way. The framework sets out five measures that jobcentres can implement in order – for example, the first measure involves shortening the first meeting with claimants from 50 to 30 minutes. DWP allows jobcentres to implement measures in the framework if their work coaches have a caseload of more than 110 cases and this position is forecast to continue for at least three months. From September 2023 to November 2024, more than half (57%) of jobcentres used the framework to help manage their workload. DWP is examining whether some of the measures could be made permanent to help manage demand pressures without adversely affecting outcomes for claimants, benefit expenditure or fraud and error (paragraphs 2.17 to 2.21, and Figure 7).

Performance of jobcentres

14 DWP's key performance measure for jobcentres has focused on the proportion of people who move from being out of work into work, but it has not had a target.

In November 2023, DWP introduced a new performance framework to monitor the operation of its jobcentres. The framework includes six key performance indicators of particular relevance to jobcentres' role in supporting people to work. The only one of the indicators with data held before November 2023 is the into-work rate. This measures, based on earnings, the proportion of UC claimants in the Intensive Work Search category who move into work each month, having not been in work in the previous month. Other indicators cover reducing the risk of long-term worklessness and the proportion of claimants sustaining and increasing their earnings in work. DWP has not set targets for its key performance indicators to indicate the level of performance it is aiming to achieve (paragraphs 3.5, 3.6 and 3.8, and Figure 10).

15 The proportion of UC claimants in the Intensive Work Search category who move into work each month has declined in the past two years to below pre-pandemic levels.

The average monthly into-work rate for claimants in the Intensive Work Search category reduced during the COVID-19 pandemic from 8.8% in 2018-19 to 7.2% in 2020-21. The rate then increased to 9.7% in 2021-22, but declined in the following two years, to 8.2% in 2023-24. DWP's analysis suggests that, as well as the impact of relatively weak economic conditions on the labour market, changes in UC claimant volumes and composition may have also contributed to the decline in the into-work rate. For example, more claimants have been in the Intensive Work Search category for a year or longer and their prospects of finding jobs or increasing earnings may be weaker than others (paragraphs 3.8 and 3.9, and Figure 11).

16 There is substantial variation in performance across DWP's seven jobcentre regions and 37 districts. The performance of each jobcentre is influenced by a number of factors, including the local labour market, and some variation is to be expected. At regional level, in the 12 months from December 2023 to November 2024, Southern England had the highest average monthly proportion of UC claimants moving into work (8.7%) while London and Essex had the lowest proportion (7.3%). As would be expected, the variation in performance is greater between DWP's 37 jobcentre districts. Birmingham and Solihull had the lowest average monthly into-work rate at 5.5% and Northern Scotland had the highest at 10.8% (paragraphs 3.10 to 3.12, and Figures 12 and 13).

Recommendations

17 Many factors affect employment outcomes, including national economic conditions, the health of local labour markets, and the skills and demographic characteristics of the labour force. Through its jobcentres, DWP aims to have a positive impact on outcomes by supporting people to work and to progress in work. It is crucial that it secures value for money from its spending on this area, both for the people who need its support and for the country's productivity and economic growth. As it takes forward the government's proposals to create a jobs and careers service and reform the system of employment support, DWP should take the following actions:

- a** Assess the impact of the shortfall in work coaches on jobcentres' ability to provide the intended level of support, and use the findings from this assessment to inform:
 - the design of its future operating model for employment support; and
 - how it will manage the risk of not being able to meet future demand for its reformed services.

- b** Strengthen accountability for, and performance management of, jobcentres, with the aim of maximising their contribution to the government's overall ambition of an 80% employment rate, by:
 - setting out the management information it will use to monitor jobcentres' performance;
 - using the results of its monitoring to identify and share good practice from jobcentres that are performing strongly in order to drive up overall performance; and
 - improving how it measures and reports outcomes, with metrics covering factors such as the sustainability and quality of employment.

- c** Through a comprehensive evaluation programme, build on its evidence base about the effectiveness of its support model, and set out:
 - how its evaluation findings support changes to its services; and
 - its plan to incorporate evaluation throughout the process of making changes to the system of employment support, including through phases of development and testing and through post-implementation review.