Report of the Chief Officer Employment and Skills

Report to Scrutiny Board (Sustainable Economy and Culture)

Date 21 October 2014

Subject: Inquiry into Employment and Skills

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	☐	Yes	☒	No
Are there implications for equality and diversity and cohesion and integration?	☐	Yes	☒	No
Is the decision eligible for Call-In?	☐	Yes	☒	No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	☐	Yes	☒	No

Summary of main issues

1. This report seeks to contribute to the evidence base of the Scrutiny Board's inquiry on employment and skills as set out in the terms of reference approved on 11 September 2014. The report aims to assist the Board to develop an overview of two key areas of work and to shape responses to improve the employment support services available to move people into work.

2. The report provides an overview of the Department for Work and Pensions (DWP) digital roll out programme, due to commence in Leeds in the autumn. It includes the detail of how services are to be delivered for DWP clients and the implications and opportunities for those complimentary services delivered by partner organisations, including the Council.

3. The report also includes information on the second key area of this inquiry, how the Council can use its existing data and that held by partners on customers and claimants to more effectively identify and target key groups for employment support services and align and focus activity to achieve efficiencies and deliver improved outcomes for local residents.

4. The report outlines some of the challenges and opportunities to be addressed that the Scrutiny Board may wish to consider further to contribute to the achievement of key objectives set out in the Best Council Plan 2013-17 to 'promote sustainable and inclusive economic growth by improving the economic wellbeing of local people and businesses'.

Recommendations

Members of Scrutiny Board are asked to note and comment on the contents of the report.

1.0   Purpose of this report

1.1   This report provides an overview of the DWP's digital roll out programme, due to commence in Leeds in the autumn and be completed by the end of 2014. It includes the implications for how services are delivered for DWP clients and the implications and opportunities for those complimentary services delivered by partner organisations, including Leeds City Council.

1.2   The report also includes information on for the second key area of this inquiry, how the Council can use its existing data on customers and claimants to more effectively identify target groups and align and focus activity to support them into work more effectively.

1.3   Sections 3 and 4 of the report provide the context for Digital Jobcentres and the changes to be implemented and the Council's own digital programme for the city. Section 5 details some of the issues arising from these developments. Section 6 provides the context for the planned work to review existing activity and data to better shape the joint planning and delivery of future, local interventions under the Citizens@Leeds Programme Board to support those residents furthest from the labour market.

2.0   Background

2.1   Many organisations are increasing digitalisation to make the very best use of technology. The desire to channel shift is not only to achieve cost efficiencies, digitalisation is a key enabler for improved demand management, service responsiveness, customer choice and trend analysis across a range of public and commercial services.

2.2   From a customer perspective, this can deliver more efficient and personalised services to those with access, the skills and willingness to engage. However, there is a cohort to whom few or none of the following apply: access to facilities, confidence to engage digitally, confidence to develop own digital capacity, inclination to engage through this channel.

3.   The DWP digital programme

3.1   As part of an ongoing drive to improve service delivery and effectively meet the needs of employers and jobseekers, DWP is to improve the digital infrastructure in Jobcentres to enable claimants to search and apply for jobs. It is estimated that over 150 million calls to government are avoidable and from a recent DWP Digital Efficiency Report it was found that the average cost of a central government digital transaction can be almost 20 times lower than the cost of telephone and 30 times

lower than face-face service. Therefore moving services to Digital by Default will realise substantial efficiency savings in DWP expenditure.

3.2   More and more vacancies are advertised on-line and this trend is set to continue. It is not only the large, national businesses, 33% of small and medium enterprises (SME's) have an online presence. In addition to the move to on-line applications, many nationals have already moved their assessment processes on-line and once again the indications are that this practice will increase. The existing kit, Job points, are outdated and limited as they allow claimants to search but not apply directly for jobs available on Universal Jobmatch and do not allow searches on other internet job sites. Additionally, as Universal Credit (UC) develops, DWP will increasingly expect claimants to be more self-reliant.

3.3   In brief, DWP Digitalisation includes:

- Installation of 100 Web Access Devices (WAD's)across the 8 Jobcentres in Leeds
- Replacement of old equipment
- Removal of customer access phones to allow 'assisted service' rather than open access
- New front of house arrangements to assess customer digital capability
- Assisted Service (1:1 appointments if necessary) for those requiring more intensive support

3.4   This work will help modernise the digital infrastructure across sites and will help to further transform local labour market delivery of services through the development of modern, efficient delivery mechanisms designed to improve the experience for individuals, employers and partners. In the future, this will also support the delivery of Universal Credit and the move to a digital, self service delivery model.

3.5   These changes will deliver a more flexible estate to encourage and manage footfall into the local Jobcentres and to provide the "assisted service". The principles of the assisted service are that the majority of claimants will reasonably be expected to use their own telephony/digital channels to resolve their queries. Where this is the case, they will be informed of the most appropriate means for them to do so and advised of how to resolve any issues themselves. However, where this is not possible, a supported service will be provided in the Jobcentre. This may be because: the claimant has no access to other channels; the claimant is vulnerable; or the situation in which they find themselves leaves them in a vulnerable position.

3.6   By providing the change now, Jobcenters will be able to:
- provide claimants with the digital tools to assist them in fulfilling their obligations for receiving benefit
- support the increasing trend for new benefit claims and changes to be conducted online
- enable DWP partners to deliver services from our estate, including CV group sessions where appropriate

4.0   The Leeds City Council digital programme

4.1   There is a wide range of publicly accessible digital access supported by LCC across the City. There is a contract in place with Virgin Media Business (VMB) which covers the city centre and offers Free Public Wi-Fi in Millenium Square and Briggate through the use of existing street furniture. In addition, there is another tender in process which will cover the remaining area up to the city boundary and will again offer Free Public Wi-Fi based on street furniture.

4.2   Free Public Wi-Fi is also being rolled out within LCC public buildings under the government's funded Super Connected Cities Programme. This includes all LCC libraries, the Town Hall, City Museum and Art Gallery. This service is being extended into Children's, Community and Sports Centres, will eventually include 103 public buildings and will be complete by January 2015. In addition to free WI-Fi, Hubs, Libraries and other centres also provide Public Access PC's which provide access to a range of services.

4.3   The Council is already improving its customer service infrastructure and framework. The creation of Community Hubs provides an integrated front of house service to provide a more holistic offer to customers. It also ensures that in terms of more complex enquires we are able to ensure that we can provide the right resource in the right place at the right time, for specialist, wraparound support.

4.4   Hubs are increasing availability of the public access digital resource –additional computers, wi fi – and the Council is also improving the digital capability of individuals and communities through its delivered and commissioned Community Learning offer. Offering a variety of levels, progression opportunities and curricula to meet a broad range of needs, this digital inclusion and capacity building is a key priority for this area of provision.

5.0   Issues for consideration

5.1   There is a need to improve the position of those groups most digitally excluded. In order to achieve this, the Council and partners must consider different ways of promoting the benefits of being on line, not only for the purposes of securing and sustaining employment but increasingly, to access a range of public services including welfare support. This must be blended into the skills packages within delivered and commissioned training programmes and from entry level.

5.2   LCC research undertaken in 2012 detailed those neighbourhoods with the highest proportion of households without access to the internet and included Cottingley, Lincoln Green, Chapeltown, Gipton, Seacroft, Burley, Hawksworth. Despite the pace in roll out of universal WI-FI since this research was undertaken, there are groups within this analysis that remain disengaged as they are not defined merely by geography but by other indicators of social exclusion – income, age, disability, etc. It is not surprising therefore that these neighbourhoods overlay some the city's most deprived communities.

5.3   Experience within the existing Hubs demonstrates that there has been a significant increase in the take up of support facilities on matters that are DWP related, particularly, the use of the free public telephone facilities available within Hubs to contact DWP. However, it is not possible to determine whether there is a direct correlation to the DWP's removal of their Customer Access Phones within Jobcentres, a move designed to increase self- service and maximise use of online channels.

6.0   An intelligence led approach approach to commissioning integrated employment support services

6.1   Many jobseekers face a range of complex and often overlapping issues which prevent them finding and sustaining work. People can be referred to a variety of different services and providers that operate independently of each other including the Jobcentre, commercial and third sector providers and the local authority and health services. The extent to which these services work together varies and can mean that cross-cutting issues are sometimes not addressed effectively along with the potential for duplication of effort. This is confusing for the service customer, and an inefficient use of public resources.

6.2   Employment support and skills provision is complex and fragmented, currently overseen by 3 Government Departments; DWP, BIS and DfE and their agencies. It is also commissioned at different levels – nationally, regionally, city region and local and sub-local - with frequent programme changes and new initiatives. Jobseeker access to programmes is governed by a range of eligibility and conditionality measures including age, duration of unemployment, specific barriers etc. Joining it up at the local level is difficult given the openness of the market place, and this can therefore lead to duplication and inefficiencies and a system that is difficult for individuals and businesses to navigate. There are many examples of good partnership work locally but there are also opportunities to improve outcomes and achieve savings to the public purse through integration, improved targeting and extended reach.

6.3   In line with the ethos of Citizens@Leeds' customer focus and the ambition to be more responsive to local needs, the Council is looking to develop more coherent services that make best use of a limited public resource. The city hosts some excellent work, achieving national attention. However, there is still work to do in locating and reducing the potential for duplication, where successive, similar interventions are delivered by different programmes in an uncoordinated way. An example is the Families First programme where 92% of the families supported include out-of-work benefit claimants but the extent to which they overlap with the participants of programmes commissioned and delivered by Employment and Skills is not known. Many of these families could also be receiving support through a number of other initiatives.

6.4   The Citizens@Leeds Programme Board provides an appropriate partnership forum in which to take this work forward with key stakeholders. A working group has been established to better understand the opportunities for greater integration to provide more coherent local services that deliver service improvements and greater efficiencies. This will be informed by an analysis of customer target groups and claimants. Working group members will include representatives from the Council's Employment and Skills, Welfare and Benefits, Public Health, Housing Leeds and Children's Services and also representatives from Jobcentre Plus and The Housing Alliance. It is planned to complete this initial analysis over the next 2 months to shape future support for those furthest from the labour market.

7.0   Corporate Considerations

7.1   Consultation and Engagement

7.1.1   The report provides information to inform the Board in its considerations and does not require further consultation at this stage. The development of specific initiatives arising from this inquiry will be subject to engagement with stakeholders including elected members, communities and service users as required.

7.2   Equality and Diversity / Cohesion and Integration

7.2.1   There are clear links between unemployment and inequality of other outcomes for education, health and life expectancy. The focus of this inquiry, on key initiatives to improve outcomes by working differently with individuals to develop their digital capacity alongside personalised and integrated packages of support, will help to improve those outcomes for priority groups. Specific equality impact assessments will be undertaken on specific initiatives arising from this work and decisions as required.

7.3   Council Policies and City Priorities

7.3.1   The activities outlined in the report support the achievement of key objectives set out in the Best Council Plan 2013-17, namely to 'promote sustainable and inclusive economic growth by improving the economic wellbeing of local people and businesses'

7.4   Resources and Value for Money

7.4.1   There are no specific decisions arising from this report.

7.5   Legal Implications, Access to Information and Call In

7.5.1   There are no legal implications arising from this report.

7.6   Risk Management

7.6.1   Existing programmes of delivery are supported by risk management plans which are reviewed on a regular basis. Proposals for action arising from the inquiry will be subject to a risk management assessment and action plan.

8.0   Conclusions

8.1   The implementation of Digital Jobcentres will improve the quality of the offer and therefore the customer experience for a large number of jobseekers. It will provide the foundation for a major culture shift in the way jobseekers transact with DWP. It also has a potential to reduce demand on the digital resource of partner organisations by increasing the available resource within Jobcentres.

8.2   However, experience within the existing Council Hubs demonstrates that there has been a significant increase in the take up of facilities available to deal with employment and benefit related matters. This clearly increases demand for Council services and potentially costs. Therefore, although there are savings in one area of the public purse, this is not always the case .

8.3   The Council is already making a number of changes to the way it delivers services through the current Hub model and through the development of new intelligence led approaches which join up existing packages of support. It is also already expanding its resource to facilitate its own channel shift programme. However, increasing customer reliance on the Council's support resource makes the need for these changes more acute.

8.4   Until the DWP digital roll out is complete and the Assisted Service is in place for those customers with limited digital capability, it will not be possible for DWP to assess its sufficiency, nor the Council to assess the impact on its own support services and facilities.

9   Recommendations

9.1   Members of Scrutiny Board are asked to note and comment on the content of the report.

10   Background documents

10.1   There are no background documents.