

Cabinet (Resources) Panel

1 November 2016

Report title	Wolverhampton Workbox	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor John Reynolds City Economy	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All	
Accountable director	Keren Jones, City Economy	
Originating service	Service Development Team, City Economy	
Accountable employee(s)	Angela McKeever Tel Email	Head of Service - Skills 01902 551455 Angela.McKeever@wolverhampton.gov.uk
Report to be/has been considered by	Place Leadership Team People Leadership Team Corporate Leadership Team Strategic Executive Board Cabinet (Resources) Panel	18 July 2016, 22 June 2016, 10 October 2016 03 October 2016 03 October 2016 11 October 2016 1 November 2016

Recommendation(s) for action or decision:

The Cabinet (Resources) Panel is recommended to:

1. Endorse the approach to develop the 'Wolverhampton Workbox' which will provide residents with improved access to skills, training and employment.
2. Approve a maximum contribution of £219,000 from the Regeneration Reserve to support the development of a Wolverhampton Workbox.

Recommendation(s) for noting:

The Cabinet (Resources) Panel is recommended to note:

1. £129,000 of the full project costs will be met from European Social Fund (ESF) funding that has already been secured by the Council. There are a few elements that need further clarification in respect of eligibility for ESF and if all elements that have been identified are approved the amount required from the regeneration reserve would be a maximum of £219,000.
2. The Workbox has been co-designed with a range of local skills and employment providers, under the auspices of the City's Skills and Employment Board, chaired by David Danger, Managing Director, Managing Director, CORP - Engine & Environmental Control Systems. HS Marston Aerospace Limited.

1.0 Purpose

- 1.1 The purpose of this paper is to agree and approve the process and funds to develop a fully interactive online Wolverhampton Workbox (*working title*) to provide local people and businesses with improved access to information, careers advice and education, and training and employment opportunities.
- 1.2 Cabinet (Resources) Panel is asked to review the rationale for and the benefits, impacts and costs of this model and agree funding for the programme.
- 1.3 The Workbox is an important partnership management tool that is required to support the new co-designed Youth Employment Initiative announced by the Managing Director and DWP.

2.0 Background and evidence of need

- 2.1 Skills and employment is one of the greatest challenges facing the city. Tackling this challenge is a top priority for the council and partners, as stated in the leader's State of Wolverhampton address (2015). The Skills and Employment Commission, in the same year, highlighted that navigating the skills and employment system in Wolverhampton is complex. Residents and businesses are not aware of what is available, how to access it and how it might help them improve their individual or workforce skills, or access employment/local recruits.
- 2.2 A key recommendation of the Wolverhampton Skills and Employment Commission (2015) was to provide 'clearer roles across institutions and organisations concerned with education, training and skills development' and an 'improved, joined up approach to careers advice for people of all ages'.
- 2.3 A Skills and Employment Action Plan was developed and agreed with the City Board (City of Wolverhampton College, University of Wolverhampton, Wolverhampton Voluntary Sector Council, local Business Partners, Wolverhampton Clinical Commissioning Group, Public Health, West Midlands Police and City of Wolverhampton Council) in May 2015. The Workbox is one of three programmes planned for development and delivery in 2016/7
- 2.4 The Work Box has been co-designed with employers, Connexions, Adult Education, Schools, Wolverhampton College, Wolverhampton University, the Community Learning Platform, DWP and training providers. A demonstration version was shown to local businesses during the business week and we will be looking to further consult on how they can contribute to the design, ensuring that we have integrated pathways to join up residents, provision and ensure businesses are matched with ideal candidates.
- 2.5 Work has already begun engaging residents to contribute to the branding and design and inform how the website can interface with local people, including those furthest from the labour market to improve access to support services.

- 2.6 The scale of the need is strong driver for this project. The City's unemployment rate is 4.17% (March 2016), which is significantly higher than the Black Country and England average, the third highest claimant rate in England. In addition there are high numbers of residents who are long term unemployed and/or have health related barriers to work and need sustained support across a number of providers.
- 2.7 The low skills profile and complex and inter-related barriers to employment mean that residents are not able to benefit fully from the jobs and training opportunities that are being created through the regeneration of the city and that businesses often struggle to find the skills they need.
- 2.8 If Wolverhampton is to tackle this challenge it needs to bring about a change in the local skills and employment system and how it operates. The Wolverhampton Workbox is at the heart of this change.

3.0 Proposal - Wolverhampton Workbox

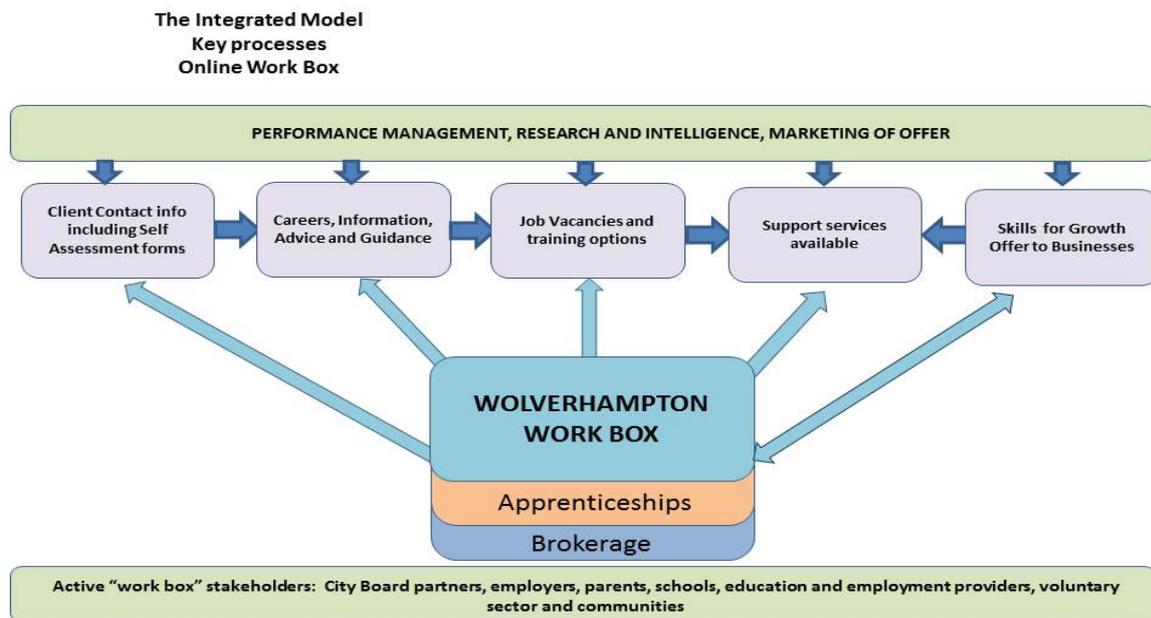
- 3.1 The Wolverhampton Workbox will be a fully functioning, interactive website which will act as a 'front door' to provide local people, businesses and providers with improved access to information, advice and job opportunities.
- 3.2 The Workbox will build on the best practice model that has been developed by Telford called the Job Box. The Telford Job Box aligned existing services behind a website proactively targeting young people. A significant outcome included a fall of 50% of 16-24 year olds out of work between April 2014 and March 2015.
- 3.3 The Workbox will be designed around customer need, providing varying levels of service and support tailored to the need of the individual. Some customers will simply need access to information while others will require face to face, longer term and tailored support. The website will drive customers to the right level of support through a clear set of customer journeys. We have started consultation with various groups to inform the detailed design. *Appendix 1 provides an overview of consultation to date.*
- 3.4 We also would like the website to be used as a support tool by parents, schools and advice and training organisations and those working with and supporting those that are seeking to improve their skills or careers or find work.

3.5 The Workbox will provide:

- Clear and up to date information on local skills and employment provision
- Opportunities for continued engagement through online skills assessment and access to local advice and guidance services
- Access to training including bespoke and fast track training into jobs
- Access to intensive employment support, CV preparation and job matching
- Information on and access to apprenticeships and pre-apprenticeships provision.

The diagram below outlines the proposed integrated customer journey.

THE LEARNER/ JOB SEEKER CUSTOMER AND THEIR JOURNEY



3.6 The Workbox will have a back office infrastructure that will enable direct referrals, access to intensive skills and employment support and a supporting Customer Records Management system that can track interventions and provide seamless collaboration digitally across organisations.

4.0 Business case

4.1 Strategic case

4.2 The Workbox fits with the role of council as enabler and facilitator. The website will act as the 'glue' which will allow local residents and businesses to access one, joined up, local skills and employment 'system'.

4.3 The Workbox will form part of the Digital Transformation Programme within the council and will enrich and utilise the single view of the citizen and single view of businesses currently under development. The Digital Transformation Programme will enable, deliver and provide governance to the Workbox infrastructure development, building on the investment the council has made in the Microsoft Dynamics Customer Engagement Platform. As a result the Workbox will benefit from being able to target marketing activities at specific target groups through the single view of the citizen, improve resident's access to employment and skills support and ultimately employment.

4.4 The Workbox will also align with other programmes across the council which includes providing a platform to support troubled families' services to meet their outcomes of progression into work. It will also be a tool to support frontline staff. The workbox will also support the libraries transformation programme to up skill frontline staff to be able to signpost and support residents to use the workbox. This will enhance usage and give residents the increased functionality of job searching, skills matching, single user

accounts across many access points and a seamless back office structure which is invisible to the resident but effective in its delivery.

4.5 The workbox will also work as an engagement tool for the IMPACT in the Black Country project to engage young people and improve their employment outcomes. IMPACT is part funded by Europe and Social Fund (ESF) and Youth Employment Initiative (YEI).

4.6 The Workbox also supports Council's move towards 'digital by design' in recognition that web transactions are significantly cheaper than face-to-face and telephony transactions.¹

4.7 **Member support**

Presentations have been made on the Workbox to the Cabinet member for City Economy, the Deputy Leader and Cabinet member for City Housing and Assets and the initiative has been strongly supported. The leader of the council has also expressed keen support for the project. All have expressed the need to get the project off the ground in 2016/17, given the timescales for development and growth in jobs across the city.

4.8 **Audit committee**

Resident's lack of skills to gain jobs through the regeneration of the city has been identified as a strategic risk for the council and as of September 2016 is the only red risk remaining. Members of the Audit Committee received a presentation on the Workbox on 19/06/16 and were very positive. They were keen to see implementation as soon as possible which should then ensure the risk moves to amber by January 2017.

4.9 **Marketing and branding**

The name Workbox is a working title and one which will not be used long term. An engagement exercise will take place with 20 young people through the Connexions service to help develop the look and feel of the website. Engagement will also take place in the city centre with young people to ensure that we get input from young people and adults who are currently disengaged

4.10 The Workbox will require investment, however as detailed below there are potential returns on investment across the city offered by refocusing and realigning the system and supporting residents into employment.

4.11 **Commercial and Economic case**

4.12 Wolverhampton currently has the third highest unemployment rate of all authorities in England and Wales. It has high numbers of residents (13,000+) who are long term unemployed or have health related barriers to work. There are 22,670 residents in receipt

¹ For example, a face-to-face transaction costs equivalent of £8.62 compared to £2.83 for telephony but only £0.15 for web. We would anticipate that a minimum target to set would be to have the work box attract at least 6000 unique visits within the first three months. Going forward based on the Telford job box we could expect to have between 2500-3000 unique visits a month with 60% being new users to the site.

of the main out of work benefits. The resident skills profile lags Black Country and West Midlands at all levels.

- 4.13 Unemployed residents are currently falling between the cracks of a highly un-coordinated system; their wider support needs are not always recognised and provided for, and they do not receive the intensive mix of coaching and training needed to move someone from unemployment into work.
- 4.14 Clearly the current systems to support residents into employment are not working well enough, resulting in poor economic and social outcomes and resulting in higher costs to local public sector services.
- 4.15 There are 11,200 new jobs projected in the city between now and 2020. This is a huge opportunity to make an impact on residents economic prospects however, these jobs will simply not be accessible to City residents unless proactive work is undertaken to engage with, advise, prepare and train the city's residents for these jobs. This proactive engagement, training and preparation for work will allow them to compete much better than they currently do.
- 4.16 The Workbox and the brokerage which will sit behind it will provide a much needed intensive local support system which has not existed before and will support people on the journey towards work. It will work with other public services including troubled families, youth offending, leaving care services, public health, mental health services and Wolverhampton Homes to tap into wider services and ensure wrap around support is provided for more vulnerable residents and tenants. It will provide flexible, tailored and customised provision to prepare people better for work. It will work with employers on the front end to design bespoke training and ensure a larger proportion of people become job ready over time thus creating a more reliable local labour supply.
- 4.17 The Workbox will be designed and procured in the same way as the Wolverhampton Universal credit website, which has already proved to be a cost effective way of targeting and informing residents and supporting them to take preventative steps, avoid debt etc.
- 4.18 Partners will be actively involved in design and will actively use the website as part of their existing services to support unemployed and economically inactive residents.
- 4.19 Cost benefit analysis
- 4.20 Outcomes for the Workbox will be **600 residents supported into work per year**. We have based these figures on learning from the Telford Job Box and from estimates from our own service delivery in 15/16.
- 4.21 Of the client base supported into work in 2015/16, approximately 85% were in receipt of JSA and 15% were ESA recipients. We have used these assumptions as the basis for doing a cost benefit analysis.

- 4.22 On the basis of the target of **600 local residents into work we therefore estimate that the savings to the public purse would be £5.5 million over a year.** *Appendix 2 outlines the potential benefit per annum of Wolverhampton residents being supported into employment.*
- 4.23 As the workbox develops further analysis will need to be undertaken to provide evidence of sustainment in employment etc.
- 4.24 In addition to savings accruing from non-payment of welfare benefits, there will be other Council managed services that will benefit from increases in local employment levels. *Appendix 3 shows some of costs associated with providing reactive public services.*
- 4.25 Supporting residents into employment will contribute towards lowering the call on these functions, and therefore represent further savings to the public purse.

5.0 Project timescales

- 5.1 The workbox will be implemented in two phases:

Phase 1 (by end of 2016) – A website providing information to residents, businesses and providers of local employment, training and skills opportunities.

Phase 2 (by March 2019) – A fully functional website and infrastructure enabling users to have online accounts to track their progress, job searching functionality and businesses being able to post jobs. There will be a single Customer Records Management system that supports the website.

6.0 Financial implications

- 6.1 The workbox will require funding from the Regeneration fund to undertake the following:
- Programme Management of the website and the introduction of and merger of a Customer Records Management system.
 - Design of the website and functionality.
 - A strong communications strategy and campaigns, including a strong brand which would involve local residents in its' design.
 - Resource costs for the data systems work.
 - Resource costs for a post to develop the system and provider infrastructure.
- 6.2 The table below outlines the upfront investment required over a 3 year period to develop the workbox website and supporting offer (including Programme Management, Communications and a single Customer Records Management system). *A detailed breakdown is shown in Appendix 4.*

SCHEME	YR 1 – (OCT 2016 –MAR 2017) £000	YR 2- (2017-2018) £000	YR 3 (2018/2019) £000
WOLVERHAMPTON WORK BOX <ul style="list-style-type: none"> • Creation of a single website where residents and businesses can access information. • Resource costs include Programme Manager time, website development costs, data systems costs and marketing and communications. 	133	168	47
TOTAL (over 3 years)	348		

6.3 £129,000 of the full project costs will be met from European Social Fund (ESF) funding that has already been secured by the Council. There are a few elements that need further clarification in respect of eligibility for ESF and if all elements that have been identified are approved the amount required from the Regeneration Reserve could be a maximum of £219,000 .

6.4 The costs of set up and maintenance are included in the three year costs. After three years revenue costs of maintenance estimated to be £10,000 will be absorbed into the Skill's Connexions and Economic Inclusion revenue budgets as this work will be a core function for both services and will have consistently demonstrated its value by year.
[ES/20102016/O]

7.0 Legal implications

7.1 There are no direct legal implications attached to this report. If the Council needs to procure any good or services in order to implement the Workbox programme, these will need to be procured via the usual procedures in accordance with the Council's Constitution.
[TS/28092016/W]

8.0 Equalities implications

8.1 An initial screening has been undertaken and the project will have positive equalities implications. A full equality analysis is not required and systems will be put in place as part of the delivery to monitor the number of people on this programme broken down by their protected characteristics.

9.0 Environmental implications

9.1 There are no environment implications attached to this report

10.0 Human resources implications

10.1 There are human resource implications associated with this report as it is recommended that a new employee is employed into the Skills and Employment Provider system development role and the Programme Manager remains in post during the programme.

11.0 Corporate landlord implications

11.1 There are no corporate landlord implications attached to this report

12.0 Schedule of background papers

12.1 Place Leadership Team report 18 July 2016

Appendix 1- Consultation responses from the Economic Growth Board and Skills and Employment Board (August 2016)

Consultation feedback	Response	How this feedback has been/ is being incorporated into the design of the workbook
<p>What is the Telford experience? How they did it and outcomes?</p>	<p>Telford invested approximately £1.3 million in developing a Job box. This comprised of aligning their existing services and developing a website with a strongly branded offer.</p> <p>Outcomes include;</p> <ul style="list-style-type: none"> • A fall of 50 % 16-24 year olds out of work in the borough (between April 2014 and March 2015). • Overall number of people out of work in Telford continues to fall faster than nationally and regionally. 	<p>The design group has tested the layout, content and branding of the Telford job box with potential users (Wolverhampton Homes tenants and Bilston Resource Centre students). This feedback has been used as a basis to develop design principles for the website.</p>
<p>Be clear what this is the answer to - the compelling core rationale (which everyone gets and uses)</p>	<p>The Workbook is different in that it will focus not on new provision, but on bringing what is there already, together into one system. It is not a commercial recruitment agency but an intensive local support system aimed at providing help to those that need it more and those that need it most.</p> <p>The Workbook will be the single front door for local employment and skills services and provide clear routes for residents into training and employment. The system will be underpinned by a common assessment framework and local referral protocols.</p> <p>Once through this front door, residents will be able to access the type of support that best suits their needs whether that's continued training or basic skills, access to an apprenticeship or entry to employment. Behind the front door residents will have access to all local major employment and skills programmes being delivered in the city.</p> <p>Residents will also be able to access advice and support on issues that affect access to work such as housing, immigration, debt, as well as confidence and childcare.</p>	<p>The website design provides joined up information, advice and guidance and the pathways through to self-assessment and will have access through to skills training and employment. Access can be through contact directly through the site, by phone or via email.</p>

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<p>Be clear on target market - is those not working?</p> <p>Or those in work can it do both? Focus on young people?</p>	<p>The Workbox will provide better access to training and jobs and up-skilling for those that need it more and those that need it most. Its primary target is residents who are seeking to improve their skills and find employment, most will be unemployed or low skilled. We also hope the Workbox will be used by parents, carers and staff who are working with unemployed or low skilled residents.</p>	<p>The website will undergo robust user testing including those who will be most likely to use the site.</p> <p>As the website develops in functionality, users of the site will be able to access individual accounts as part of a Customer Records Management system that will allow tracking and performance management.</p>
<p>Wolverhampton Work box - is this the brand? If not what are the options?</p> <p>Needs a very clever Marketing strategy?</p>	<p>Brand options will need to be explored and defined alongside the City Brand. There is opportunity to involve target groups in brand design which would support validity of the brand. Testing will need to take place prior and post launch to define the brand.</p> <p>Marketing strategy is currently in development.</p>	<p>Design of the branding and communications will take place with the target group.</p> <p>The design group has also started to talk to tenants and students about what works for them.</p> <p>The Economic Growth Board and Skills and Employment Board will oversee and contribute to the brand, marketing and content design.</p>
<p>Resourcing and sustainability? Over what time - min 3 years?</p>	<p>Resourcing requirements include;</p> <ul style="list-style-type: none"> • Maintenance of website and CRM • Social media presence and promotion <p>The costs of set up and maintenance are included in the 3 year costs. After three years costs of maintenance will be absorbed into the Connexions and Economic Inclusion services as this work will be a core function for both services and will have consistently demonstrated its value by year 4.</p>	<p>A scoping exercise is being carried out as part of the CRM design with the Digital Transformation Team.</p>

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[NOT PROTECTIVELY MARKED]

<p>How will we ensure Quality assurance?</p>	<p>A programme is currently being put in place to link local providers and provision into a much more coordinated and quality assured system.</p> <p>This Work is being led by the Head of Skills and includes :</p> <p>Rationalisation and refresh of local employment and skills partnerships Set up of a new co-ordinated job brokerage Set up of a new City Apprenticeships offer</p> <p>These groups will lead and drive an improvement in quality across all types of provision. This will include a push towards Matrix accreditation for advice and guidance and informal agreements on quality standards for referrals as well as basic skills assessments etc.</p> <p>This work is medium to long term and needs a high degree of engagement and joint working between partners. This approach will be initiated through the establishment of the Workbox.</p> <p>We will need to carry out a quality assurance exercise of the linked out sites every 6-12 months.</p>	<p>As part of the on-going development and design a quality assurance strategy will be developed to ensure information and links are robust and up to date.</p>
<p>How can it be tailored to the individual or business?</p>	<p>Through brand definition and pathways running through the site.</p>	<p>User and business design collaboration will take place as part of the overall design.</p> <p>At business week in September we will be taking a demonstration version of the site for further feedback to incorporate in the design process.</p>
<p>How do we get formal sign up to this? Partners and critically JCP? Specifically what do we need each to do</p>	<p>JCP are involved in the development of the website. There are on-going discussions taking place with them with regard to the coordinated brokerage but early meetings show that they are very keen to develop this with us.</p> <p>The roles and responsibilities of providers in the city will be agreed initially through memoranda of understanding (MOU)</p> <p>As the partnership develops more formal SLAs might be used to agree targets and quality thresholds for all partners including the delivery part of the council element.</p>	<p>We will be engaging with JCP on a regular basis so they are involved throughout the design process.</p>

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<p>Need to show how this as a tool will be used and link into other things e.g. troubled families - can this support it?</p>	<p>The Workbox will link to existing council and wider services such as Troubled Families, YOT, and LAC etc. Training will be provided by the core team to all staff to ensure maximum use and will be offered to a wider range of partners across the city.</p>	<p>This will be incorporated as part of the design. We will also design a training programme for frontline staff.</p> <p>There will also be information and links to betteroff calculators and money advice to ensure residents are informed about the impact of employment.</p>
<p>Link to YOO recruit?</p>	<p>Yoo Recruit will be a key contributor to the workbox. The workbox will enable referrals to Yoo recruit who will broker jobs alongside the job brokerage function.</p>	<p>We will be engaging with Yoo Recruit to design a referral process through the workbox.</p>
<p>What is role/interface with other external commercial recruitment?</p>	<p>Residents accessing the site will be able to link through to commercial job sites and may not need more help than this. However the primary target group is those that need more support to access jobs, those that need training, advice and support, CV development, careers guidance, interview practice etc.</p> <p>Specifically through links to external sites via the workbox.</p>	<p>We will be designing content on the site that links out to external commercial recruitment.</p>
<p>Planned Launch in November - how?</p>	<p>A communications strategy is currently in development. We would be looking at a soft launch with;</p> <ul style="list-style-type: none"> • A small number of businesses as early adopters to post vacancies. • Paid advertising • Launch at a jobs fair 	<p>We are working with the Communications Team to develop a targeted strategy.</p>
<p>The workbox needs to take residents to the closest provision and be presented in a seamless way.</p>	<p>The workbox will be created using digital design principles that will ensure a seamless pathway whilst using the site.</p> <p>A key part of the website will be that it is mobile enabled so that residents can find local provision whilst on the move. This will be achieved through interactive mapping.</p>	<p>User testing will ensure design of the site takes into account various skills levels.</p>

Appendix 2- Potential benefit per annum of Wolverhampton residents being supported into employment.

	<i>New Economy Unit² cost fiscal benefit per person, per annum</i>	<i>Total fiscal benefit per year</i>	<i>Total fiscal benefit per year – including a calculation for labour market churn – 10%*</i>
<i>510 clients supported off JSA into work</i>	<i>£10,300</i>	<i>£5,253,000</i>	
<i>90 clients supported off ESA into work</i>	<i>£9,100</i>	<i>£819,000</i>	
<i>Total - Clients supported into work 600</i>		<i>£6,072,000</i>	<i>£5,465,000</i>
<i>*NB The above table assumes that all those supported into work will be employed for at least a 12 month period. Realistically not all clients will remain in work. Therefore it is prudent to subtract an element for clients falling back out of the labour market. 10% has been used here.</i>			

Appendix 3- Typical costs related to Local Authority Services

² The CBA model methodology has been developed with assistance from the Technical Advisory Group which is a joint group of analysts from Central Government and GM. Their input has ensured that the methodology is robust and takes account of the most up to date research. It has been included as supplementary guidance in the HM Treasury Green Book. <http://neweconomymanchester.com/our-work/research-evaluation-cost-benefit-analysis/cost-benefit-analysis/cost-benefit-analysis-guidance-and-model>

TYPICAL COSTS RELATED TO LOCAL AUTHORITY SERVICES		
Cost	Comments	LA Costs
<i>Housing Eviction</i>	<i>Average cost of a simple repossession</i>	£750
<i>Homeless application</i>	<i>Average one off and on-going costs (based upon family being made homeless)</i>	£2,720
<i>Housing Benefit/LHA</i>	<i>Average cost of processing a HB/LHA application</i>	£50
<i>All data above is drawn from the New Economy Unit Cost Database and are based upon average costs.</i>		

Appendix 4

RESOURCE COSTS	ESF ELIGIBILITY	Yr 1 - (Oct-March 2016) - £	Yr 2 (2017/2018) - £	Yr 3 (2018/2019) - £	TOTAL OVER 3 YEARS - £	TOTAL %
WOLVERHAMPTON WORK BOX						
Programme Manager (contract)	No- non direct employee	39,000	43,200	28,800	111,000	
Website developer/ application design	Yes - but 3 quotes	3,600	10,000	3,000	16,600	
Skills and Employment Provider and System Development (1 year fte)	ESF logo on recruitment	12,000	36,000		48,000	
Data Manager (1 x fte- 12 month fixed/ secondment)	Match funded delivery	19,000	19,000		38,000	
Data Support Officers (2 x fte- 18 month fixed/secondment)	Match funded delivery	23,500	47,000		70,500	
Marketing and Communications (staff time + collateral)	ESF logo	24,000	25,000	15,000	64,000	
Total annual cost		121,100	180,200	46,800	348,100	
Total ESF grant to be drawn down		39,600	71,000	18,000	128,600	37%
Maximum remaining costs for City of Wolverhampton		81,500	109,200	28,800	219,500	63%
	Not eligible for ESF					
	Eligible for ESF					