

Gateway

Gateway Strategy Timeline

In 2003 the Gateway concept was born with a vision to offer customer-focused, large-scale, cross-agency service in a modern retail setting.

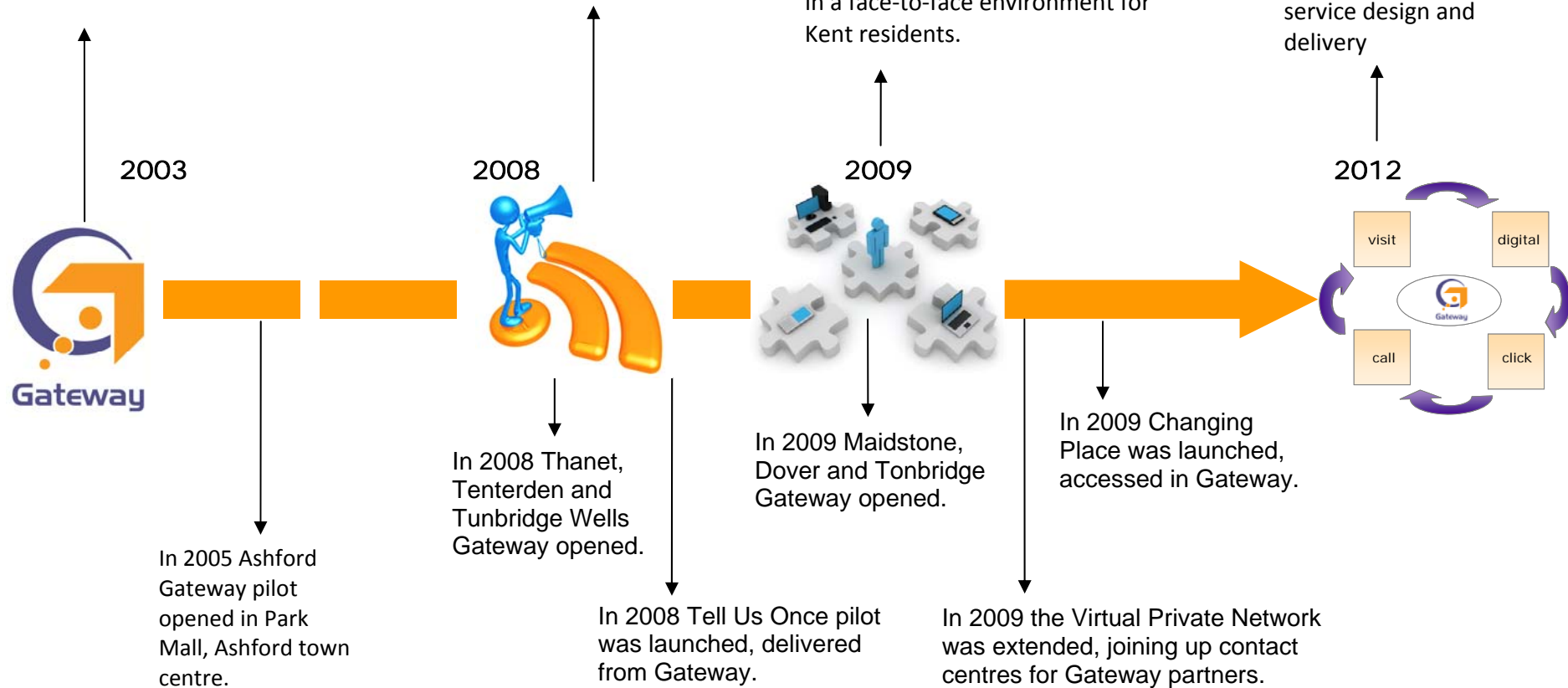
In 2008 energy and commitment was given to exploring how the approach and learning Gateway had already achieved could be applied to phone and web delivery as part of a programme, Access Kent.

In September 2009 the work Access Kent and Gateway were undertaking was integrated into one programme, Gateway Multi-Channel. This offers a single brand for access across phone, web and in a face-to-face environment for Kent residents.

Appendix Three

Appendix 3.1

2012 → A new strategic integrated public service offer – Physical to Digital – engaging citizens in service design and delivery



Social Return on Investment Case Study – Skills Plus at Ashford Gateway

Case study - Skills Plus in Ashford Gateway

DEFINITION

The intervention is: locate the Skills Plus desk in the Gateway rather than have it alone in its own premises on the street (as before).

INPUTS

Staff wages	£/y	63,852
Exam fees & admin	£/y	2,515
Total inputs	£/y	66,367

OUTPUTS

	<u>Before</u>	<u>After</u>	<u>Difference</u>
Number of trainees (who finish training courses)	190	509	319
% unemployed before taking Skills Plus training	22%	22%	
Number equivalent	42	112	70
After Skills Plus training, reduction of unemployed			66%
Number equivalent, employed, attributable to intervention			46

OUTCOMES

Wage before training	£/h	0.00	
Wage after Level 2 training	£/h		8.80
Wage after Level 3 training	£/h		10.40
Average wage after training	£/h		9.60
Increase in wage earned	£/h		9.60
Hours worked per week	h/w		40
Weeks worked per year	w/y		48
Increase in wage earned, attributable to intervention	£/y.person		18,432

Civic saving from not paying Jobseeker Allowance	£/y.person	3,344	JSA	£64.30
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IMPACTS

/group

Trainees' gain in wages earned, before NI and tax	£/y	£853,748
Civic gain in National Insurance paid by employee	11%	£93,912
Civic gain in Income Tax paid by employee	20%	£170,750
Civic gain from saving Jobseeker Allowances	£/y	£154,872
Total civic gain	£/y	£419,533
Trainees' gain in wages earned, after NI and tax	£/y	£589,086
Total social gain	£/y	£1,008,620

SROI ratio

15

RETURN ON INVESTMENT OVER SEVERAL YEARS

Assumptions:

- 1 Aggregate impact in Year 1 remains steady for 5 years.
- 2 Skills Plus agency has a one-off cost of moving into Gateway, a rent increase, and its operating cost there is same as before (per INPUTS).
- 3 Constant prices (i.e. no inflation or other price increases)
- 4 Training course lasts 1 year, during which Jobseeker Allowance is paid. Wage earning begins a year later.

	Year:	Y0	Y1	Y2	Y3	Y4	Y5
OUTFLOW	£						
Cost of moving into Gateway & additional rent		200,000	20,000	20,000	20,000	20,000	20,000
Operating costs			66,367	66,367	66,367	66,367	66,367
Total outflow		266,367	86,367	86,367	86,367	86,367	20,000
INFLOW	£						
Trainees' gain in wages earned, after NI and tax		0	0	589,086	589,086	589,086	589,086
Total civic gain		0	0	419,533	419,533	419,533	419,533
Total inflow		0	0	1,008,620	1,008,620	1,008,620	1,008,620
NET FLOW (including social benefits)	£	-266,367	-86,367	922,253	922,253	922,253	988,620

NET PRESENT VALUE at 5% discount rate	£2,683,728
NET PRESENT VALUE at 10% discount rate	£2,139,980
INTERNAL RATE OF RETURN	128%

These may be compared with alternative options for investment, to guide choice when funds are scarce.

NET FLOW TO INVESTOR (financial, excluding social benefits)	-200,000	-86,367	333,166	333,166	333,166	333,166
NPV at 5%	£802,744					
FIRR	69%					

Compare with NPV and IRR that recognise Social impact in addition to Financial.

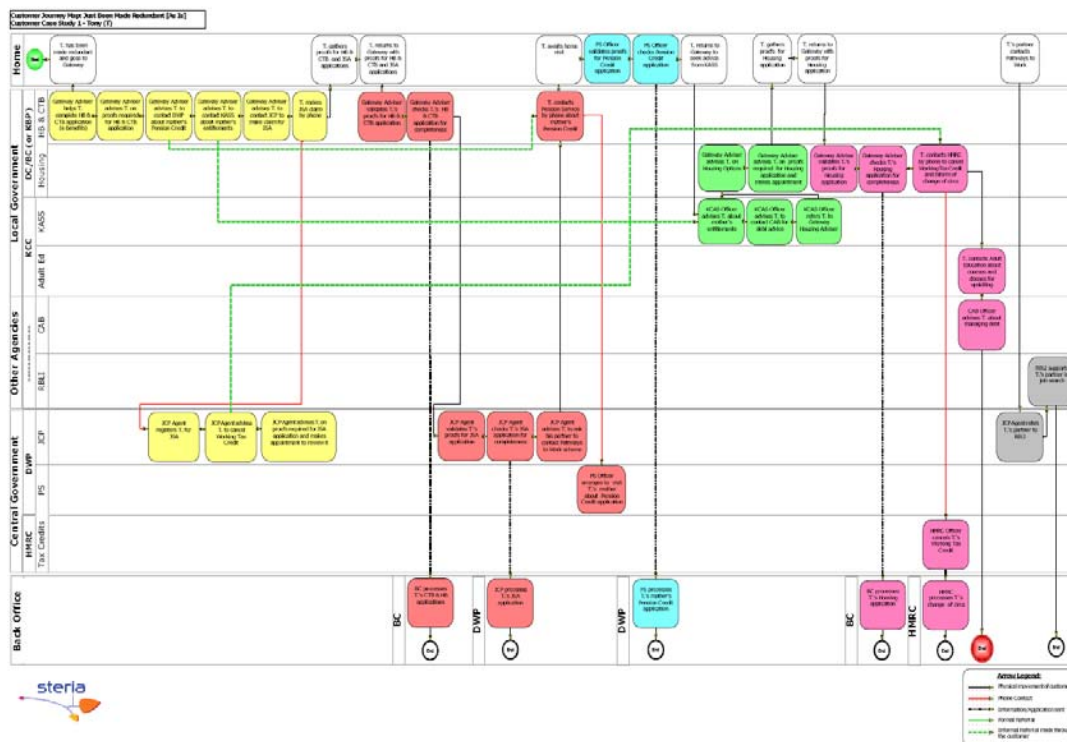
The Benefits Hub - Tony's Journey

APPENDIX 3.3

Tony has just been made redundant following the closure of a local factory. He was on a low income and has been in receipt of Working Tax Credit (WTC). He's 46, married with three children (aged 4, 12 and 14) and lives with his family and elderly mother in private rented accommodation. Tony's partner is on long-term Employment and Support Allowance (ESA).

In the diagrams below, the coloured boxes represent different events or stages in Tony's journey, as he interacts with separate organisations. The contrast between the complexity of the current, 'as is' journey and our vision of the future - the streamlined 'to be' journey, represents a **very different experience** for Tony and **considerable savings** for the public purse.

As it is now:



Tony goes to the Gateway in pursuit of benefits. He does not know what to expect, and is not prepared with any proofs of entitlement. The Gateway Adviser helps Tony fill in applications for HB and CTB, and tells him what proofs of entitlement he must provide. The Adviser advises Tony to contact DWP to claim Pension Credit for his mother and refers him to KASS for specialist advice about her entitlements. The Adviser advises Tony to contact JCP to claim JSA, so he calls them and registers for JSA. He then goes home to collect proofs of eligibility for benefits.

When he returns to the Gateway with proofs of eligibility, the Gateway Adviser validates the proofs and helps Tony complete applications for CTB and HB. Tony goes to JCP with proofs of eligibility for JSA and completes his application for it. The JCP Adviser suggests he ask his partner to contact *Pathways to Work*. Tony also contacts DWP by phone to organise Pension Credit for his mother. A Pension

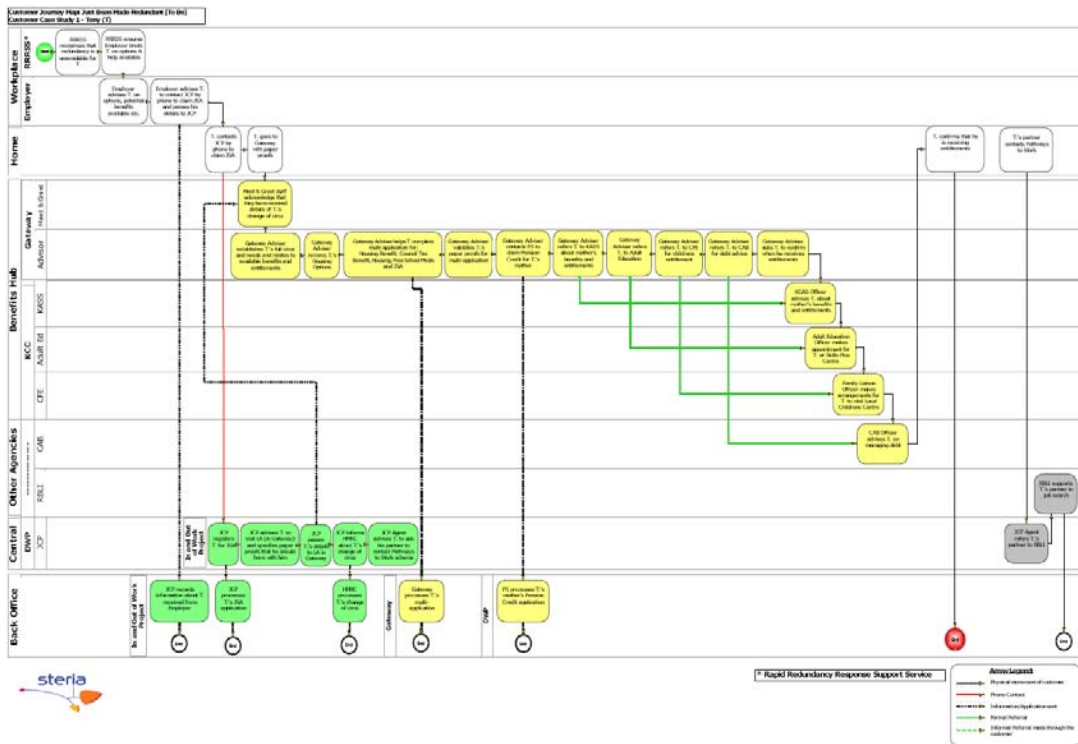
Service Officer visits Tony's mother at home, and validates her eligibility for Pension Credit.

Tony returns to the Gateway to follow up a referral to KASS for specialist advice about his mother's entitlements. The KCAS Officer that he speaks to advises him to contact CAB for advice about managing debt and refers him to the Housing Officer for help with his housing options. During the same visit Tony is able to see a Housing Adviser, who opens an application for housing for him and tells him what proofs he will need for it.

Tony returns to the Gateway with proofs of entitlement for housing and completes his application. He rings HMRC to cancel his WTC, then talks to Adult Education about suitable up-skilling courses and to CAB about managing debt. When he gets home, Tony follows up the JCP Adviser's suggestion by asking his partner (on long-term ESA) to contact *Pathways to Work* for help with job-searching.

As is, Tony has to make repeated visits to different Government agencies and Departments, service providers operate autonomously and the outcome depends to a large degree on his determination and ability to navigate the benefits systems and procedures. In our vision of the Gateway Benefits Hub, service providers take the customer's perspective and have a full view of Tony's needs. Agencies share information and have a single approach to assessment which minimises the need for Tony to make separate visits and submit separate applications and proofs. Customer service advisors act as the customer advocate and take responsibility for fulfilling the needs of Tony and his family.

As it could be:



The SEEDA/JCP redundancy Rapid Response Service has interceded but failed to prevent Tony's redundancy. The service ensures that Tony's employer directs him to JCP and passes information about him to JCP. JCP handles Tony's case as part of the *In and Out of Work* project. So, when Tony makes contact, he finds not only that the JCP is aware of him, but that JCP directs him to the Gateway for help with benefits and sends information about him to his local Council. It also tells him what proofs of entitlement he will need and informs HMRC about his change of circumstances.

Tony goes to the Gateway armed with proofs of entitlement to benefits. The Gateway Adviser establishes his circumstances in greater detail and assists Tony in considering his housing options. He then helps him complete a combined application for several benefits, including CTB, HB, and Free School Meals for his children.

The Gateway Adviser reviews Tony's elderly mother's needs; he organises PC for her and refers Tony to KASS for further specialist advice.

The Adviser refers Tony to CFE for advice about entitlements for his children, to Adult Education for advice about skills and training, and to CAB for advice about managing debt. Tony is able to follow these referrals up on the same day. When gets home, Tony follows up the JCP adviser's suggestion by asking his partner (on long-term ESA) to contact *Pathways to Work* for help with job-searching.

Mapping Tony's Journey

Tony's journey, current and future, was mapped at a series of workshops held with Gateway staff and local organisations in Kent, including the District and County Councils and their partners, voluntary agencies and Jobcentre Plus. Following the workshops, supporting information and data, such as volumes and timings, were gathered to create a more complete picture of the journeys and to allow an assessment of the impact of change. Our comparison of the delivery of the "to-be" vision against the "as-is" for Tony's journey revealed potential for great savings, as well as improved service outcomes.

Understanding the Benefits

There are very many potential benefits of adopting the vision for the Gateway Benefits Hub as illustrated in Tony's journey. Bringing together all the cross-agency benefit processes in Kent, from central and local government to the voluntary sector, has the potential to transform the customer experience and make profound savings, through:

- The social return on investment (SROI) that is driven out from these service improvements;
- Potential efficiencies from other transactions and processes undertaken by visitors and staff at the Gateway (the above example on redundancy accounts for less than 20% of all visits);
- Potential savings from back office processes.

As an example, below is a calculation of the potential saving through the reduction in customer service advisor (CSA) contact time. This calculation is based on a staff salary of £25,000 and an annual staff cost of £30,000, minus annual and public holidays, as shown:

Hours worked per year
 = $(52 - 7.6 = 44.4)$ weeks per year @ 37 hours per week = 1642.8
Therefore cost per hour
 = salary cost of £30,000/1642.8 = £18.26 per hour

The hourly cost is then multiplied by the difference in time taken between the 'as is' and 'to be' customer journeys:

Total time taken 'end to end' for interactions/processes includes:

- Assessments/form completion
- Validation of proofs

'As-is' and 'To-be' time in minutes
Difference in hours

As is 371, To be 243
 = $(371-243)/60$
 = 2.13 hours

Multiply by staff cost per hour

£18.26 * 2.13 hours

Cost saving per customer journey

£38.90

The saving per customer journey is then applied to individual cases, using statistics provided by the Kent Research and Intelligence Unit:

Monthly average of new unemployment cases
in Kent over the last five years
Annual figure
Multiply by cost saving for each case

4,750
 $(4,750 * 12) = 57,000$
 $57,000 * £38.90$

Potential yearly cost saving for this scenario

£2,217,300

However, in our experience, the potential savings from the streamlining and improvement of back office processes, supported by enabling technology, are even greater. Evidence gathered from our many improvement programmes, with customers across all sectors, suggest that these may deliver savings in the range of 10% to 25% of back office processing costs.

Glossary of Terms

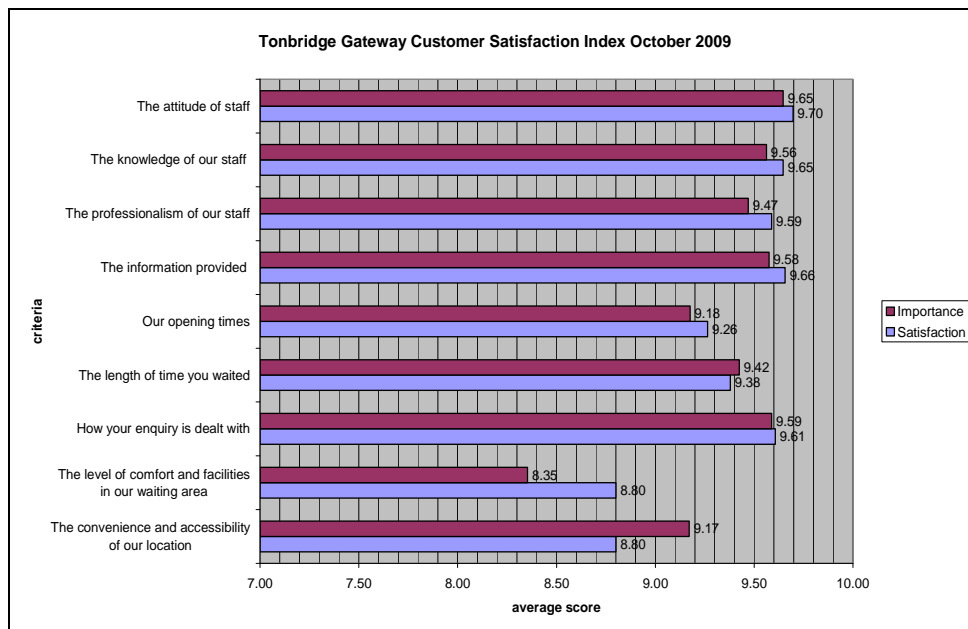
WTC	Working Tax Credit
ESA	Employment and Support Allowance
HB	Housing Benefit
CTB	Council Tax Benefit
DWP	Department for Work and Pensions
JCP	Jobcentre Plus
JSA	Job Seekers Allowance
KASS	Kent Adult Social Services
KCAS	Kent Contact and Assessment Service
CAB	Citizens Advice Bureau
HMRC	HM Revenue & Customs
SEEDA	South East England Development Agency
PC	Pension Credit
CFE	Children, Families and Education
CSA	Customer Service Advisor

Gateway Customer Satisfaction

The following table gives the result of the customer satisfaction survey carried out in October 2009, just two and half months post opening of a new Gateway in Tonbridge. The same survey will be repeated in April 2010 to provide consistent and comparable results.

Quotes taken from Customer Feedback – 2009/10

- *“This is a great idea - to have advice, housing advice, general help under one roof, close to the town centre. **Brilliant***
- The new Gateway concept is very light, airy and seems to have had **an excellent effect on staff (as well as customer) morale**. Keep up the good work!
- *I find that this new office and décor has lifted the atmosphere for the people who visit for benefits, etc. The **terminals for the internet** are a very good idea and the fact you have nine terminals should give ample opportunity for people to get a turn. All staff helpful and friendly.*



- Good service here. Friendly service – very efficient. Internal facilities are **absolutely brilliant!**
- *I am extremely impressed with the facilities and **quality of service** offered by The Gateway. Perfect location, **innovative**, with excellent staff.*
- An excellent, **speedy and helpful** service. Every town should have one
- *This is my first visit to your new premises. Very impressed with the décor, more friendlier atmosphere and restful! It's nice to have a centre right in the middle of the town centre, especially for people like myself who can't walk very far.*
- I think the new Gateway is great. It's quick and easy to sort out your problems. I have had a fair few. **Thanks to Gateway I hardly have any."**