EXPLANATORY MEMORANDUM TO

THE SOCIAL SECURITY (ELECTRONIC COMMUNICATIONS) ORDER 2011

2011 No.

1. This explanatory memorandum has been prepared by the Department for Work and Pensions (DWP) and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

The purpose of this Order is to facilitate the use of electronic communications and electronic storage in connection with claims for, and awards of, Jobseeker's Allowance (JSA) and awards of Income Support (IS), Employment and Support Allowance (ESA), Disability Living Allowance (DLA) and Attendance Allowance (AA).

3. Matters of special interest to the Joint Committee on Statutory Instruments

None.

4. Legislative background

4.1 DWP is improving its customer service delivery by increasing access to its services through self-serve online channels. As part of this, Jobcentre Plus is introducing a secure, automated service via the internet for people to transact online.

4.2 Provisions in social security legislation sometimes require the use of paper-based documents or communications (or might be interpreted as requiring this.) This Order is made to enable existing requirements that something be done in writing to be discharged by electronic means. In particular, it enables:-

- a jobseeker's agreement (and any variation) to be in an electronic form as well as in hard copy and signed by means of an electronic signature;
- a written claim for JSA to made by electronic means;
- JSA claimants to provide a signed declaration that they meet the conditions of entitlement by means of an electronic signature;
- notices, including notification of a change in a person's circumstances, to be given by means of an electronic communication in connection with claims for, and awards of, JSA and awards of IS, ESA, DLA and AA.

4.3 This Order is enabling rather than mandatory. Electronic communications are being introduced to complement existing channels. Those who do not wish, or do not have the means, to communicate electronically will still be able to use existing postal, face to face and telephony channels. Existing claimants will be invited to switch to the new service if they wish to do so. When the service is fully implemented, new claimants will be able to access it via the DirectGov website and will be encouraged to do so.

5. Territorial extent and application

This instrument applies to Great Britain.

6. European Convention on Human Rights (ECHR)

The Minister of State for Employment, the Rt Hon Chris Grayling MP, has made the following statement regarding Human Rights:

"In my view the provisions of the Social Security (Electronic Communications) Order 2011 are compatible with the Convention rights."

7. Policy background

What is being done and why

7.1 Part of DWP's business strategy is to improve customer service, increase efficiency and enhance Departmental capability. Automation of JSA (combined with the additional online services referred to above for IS, ESA, DLA and AA) will deliver the next stage of this strategy by:

- maximising efficiency through automation (with human intervention only when it's necessary and where it adds value);
- improving customer service by maximising online opportunities so people can access services when it's convenient for them, and reducing requests for information already held – people will be able to confirm or amend details when they need to through their account;
- reducing the amount of paper used;
- providing a basis for automation of other benefits in the future.

7.2 Automated processing and online self-service is the most efficient way of delivering benefits and associated services. It also popular with customers and research[1] shows that:

- the current system (for JSA) is perceived to be complex so claimants welcome the concept of automated, online services;
- many claimants are conversant with using the internet and welcome the benefits (convenience, more control etc.) of doing business with the Department online;
- claimants welcome the fact that automated online services will enable them to spend more time on searching for a job, and the Department has separate plans to put more of its labour market services online.

7.3 DWP is committed to reducing the amount of paper it uses. The new service will increase automation and online facilities that will result in a substantial reduction in the use of paper to convey information, to manage work and to communicate with claimants who use it.

[1] A summary of the findings will be published in the Equality Impact Assessment that will accompany the Order.

7.4 In addition, computer hardware and software which will capture digital signatures will be introduced by Jobcentre Plus to replace paper- based forms which currently require a 'wet' signature. This technology will help reduce paper, prevent errors and reduce fraud.

7.5 The new online service will be secure so that that people can use it with confidence. The system will have an approved authentication process that will confirm the claimant's identity and safeguard data when people make a claim and subsequently access their account to view or amend information.

Consolidation

7.6 Informal consolidation will be included in due course in the Department's 'the Law Relating to Social Security' (the Blue Volumes) which are available on the internet at no cost to the public at: www.dwp.gov.uk/publications/specialist-guides/law-volumes/.

8. Consultation outcome

8.1 No consultation has taken place specifically in relation to this instrument. The Order does not change substantive requirements in benefits legislation, rather it enables people to choose to use an electronic communication as an alternative to paper based forms.

8.2 However, the Department consulted organisations through the Jobcentre Plus Customer Representative Group Forum about its plans for automated service delivery. This comprises organisations that represent the interests of Jobcentre Plus claimants (for example, Citizens Advice, welfare rights, and disability organisations). The proposals were presented to the Forum on 4th November 2010 and were unanimously supported by delegates.

8.3 In addition, presentations have been made at the Welsh, English and National Forums with regards to the new online facilities for IS, ESA, DLA and AA. Similarly, these forums were attended by customer representative groups and have strongly supported the progression of the new update service.

8.4 Departmental officials presented the proposals to the Social Security Advisory Committee (SSAC) on 2nd February 2011 on an informal basis (there being no statutory requirement to refer the proposals to it). The main focus of discussions were around potential take up of the online service, system security and plans for implementation.

9. Guidance

9.1 All guidance currently used by staff for the administration of the relevant benefits is being reviewed and updated to reflect the additional procedures that need to be followed when the new service is introduced. Training and implementation plans are also in place to ensure a smooth introduction of the

new processes.

10. Impact

10.1 This instrument has no impact on business or civil society organisations.

10.2 The impact on the public sector of this instrument is negligible as it is purely enabling.

10.3 A full impact assessment (regulatory) has not been published for this instrument.

11. Regulating small business

The instrument does not apply to small business.

12. Monitoring and review

12.1 The Department's aim is that 80% of all claimant transactions for JSA will be done online by 2013. This is published in the Departmental Business Plan (that can be found on the DWP and Number 10 websites) that is reviewed and reported against monthly. The websites are accessible to the public free of charge at:
www.dwp.gov.uk/docs/dwp-business-plan-2011-2015.pdf
www.number10.gov.uk/wp-content/uploads/DWP-Business-Plan.pdf

12.2 The forecasted targets for the new online update service for IS, ESA, DLA and AA are included within the DWP Change Programme Business Case. This makes it clear how aims and objectives will be monitored and reviewed and there a number of sources of information that will be used to do this (such as operational performance data and customer insight). A Departmental committee - the Benefits Realisation Optimisation Board, will be responsible for monitoring the delivery of these Change Programme benefits.

13. Contact

13.1 For additional information please contact Stuart Walton at DWP: telephone 0113 2324117, or by e-mail at stuart.walton@jobcentreplus.gsi.gov.uk.