

West Midlands LARI Programme

OAC workshop

27 April 2010

Briefing note

Workshop Objectives & Context

Paul Merrett, Improvement and Efficiency
West Midlands

- Paul high-lighted two main aims for the workshop:
- Firstly, to explore what can be achieved with geodemographics
- Secondly, to explore the extent to which the Output Area Classification Data Set (OAC) has the potential to be developed as a public sector CI Tool.
- He identified 2 main drivers behind the workshop: **National** - maintaining momentum on raising awareness of OAC & building on previous events in London & East Midlands.
- **Regional** – A core element of the West Midlands CLG commissioned Local & Regional Intelligence Programme (LARI). For details click [here](#).
- All presentations can be accessed [here](#).

Customer Insight: never mind the theory, get on with the practice

John O'Neil, Lancashire CC & Chair
esd-toolkit national CI Working Group

- John set the scene for the day by asking the question “Why Bother?” and illustrated the reasons why with an example around the costs of managing the implications of an ageing population.
- He then went on to identify some key issues around what's wrong & right regarding the utilisation of Customer Insight as a strategic asset and as a way of thinking & working.
- He concluded by emphasising the need to just do it, getting focused on the customer & their needs not services. This would result in better evidenced decision-making in the public sector.

OAC: It's history & origins

Dan Vickers, Sheffield University

- Dan talked about the value of geodemographics as a tool to help simply and understand a very complex world.
- He emphasised that OAC was just one of a number of tools that were available to enhance the ability of organisation (private & public) to make better & more informed decisions.
- He drew attention to the OAC User Group web-site that was already populated with some case studies illustrating how OAC might be used, emphasising the fact that OAC was free and covered the whole of the UK. View the website [here](#).
- He concluded by suggesting that the challenge was not so much about OAC as a tool but the capacity and capability of organisations to utilise geodemographics as a way of thinking & working.

OAC: What is it now & plans for the future

Stephen Bond, ONS

- Steve highlighted the fact that there are different levels of area classification, & that there are considerable benefits to using different classifications together
- He talked about ONS' plans for supporting area classifications & that his main message was to get more people using OAC to help develop policy and increase their understanding of their area. (Profiles of Place) to help tell a range of stories.
- He went on to illustrate the various possibilities of using different levels of classification and the impact of scale effect on those stories of place
- He also demonstrated the value of comparing different areas e.g. for benchmarking, & concluded by emphasising the benefit of combining area classifications with other classifications e.g. the IMD
- With regards some next steps, ONS are starting to aggregate Survey data to OAC, e.g. EFS and FRS.

- Also the possibility of coding admin data such as claimant count or education attainment. There is also the possibility that labour force statistics will also be OAC classified in the future
- They are looking at 2010 Area Classifications & consulting on geography – do we need five classifications? Local classifications rather than UK?
- Equality of weights; Limited to Census data and population characteristics. Continuing involvement with the OAC user group to help get more people using OAC. Also the freeing up of Census boundary data through OS Open Data will make it easier to share and reuse data.

Showcase 1. A data visualisation use of OAC

Robert Radburn Leicestershire

Based on work already under way Robert shared a dynamic and graphic view of how the OAC data set can tell a visual story of a specific geography

- There was a useful discussion about both the technical aspects of the approach and how OAC was only one tool that could be deployed alongside others e.g. MOSAIC and ACORN
- A key learning point was around the need for organisations to develop a mix of skills so that they could generate maximum benefit from the tools. This also illustrated the theme that technology is an enabler & that councils & LSP's need to consider sharing capacity & capability more e.g. with the Police

Showcase 2. Using Customer Segmentation to increase council tax payment

Laurah Hutchinson- Strain, Coventry City Council

- Laurah shared work in progress around a benefits take-up campaign using a different geodemographic data set – MOSAIC.
- By using a data set at household level they have been able to profile Wards & better analyse/ segment communities to target communications & utilise resources more effectively
- This has resulted in reduced over-payments, a decline in unsuccessful claims and delivery of a more culturally/ethnically sensitive service. The learning that has been generated from this pilot is now being rolled out into the Child Benefits arena with an expectation that earlier targeting will enhance appropriate take-up
- Whilst there was a debate as to whether OAC could have assisted in such an initiative given the use of different spatial levels, one of the key points to emerge was that developing Customer Insight can have a number of benefits when allied to the use of geodemographics

Showcase 3. Utilisation of OAC for analysis of the Place Survey

Juliet Lane, Shropshire CC

- Juliet described how Shropshire used SPSS, Excel and ArcGIS &, by attaching the OAC Super Group, Group codes and descriptions to the survey data. She was then able to analyse the response to the survey questions by OAC groups
- She illustrated the approach using a number of the main Survey Questions and concluded that OAC is useful to characterise and identify areas of satisfaction/dissatisfaction & can target actions to improve council services and improve satisfaction
- She illustrated how OAC groups respond in different ways & advised caution in interpreting results from groups which are under represented

Showcase 4. Using Customer Insight to improve satisfaction using ACORN

David Onions, Worcestershire CC

- David illustrated how different data sets can be combined to add value to an organisations ability to understand issues that cut across organisational boundaries
- He drew attention to the fact that ACORN has different datasets i.e. HealthAcorn and that mapping datasets against Ward boundaries can generate useful pictures around a service issue/geography.
- By applying the data to different questions e.g. levels of satisfaction with service delivery, it is possible to better understand how changes in service design & delivery might be effected. In turn this can inform the decision-making process and work is currently under way to deploy this in the development of Elected Member Ward Profiles

Showcase 5. An evolving approach to CI – the key data sets & why they were used

Steve Rose, Birmingham City Council

- Steve described Birmingham Councils approach to the development & use of CI as a strategic asset & way of thinking & working. He clarified why the approach was defined as Customer Knowledge & emphasised that CI is about “doing with data what we naturally do when we observe the world, including what we can't see” .
- He illustrated the need to connect both internal & external data to better understand customers & how this can enhance the ability of an organisation to better target resources.
- He also emphasised the need to acknowledge that the various data sets all have something to contribute & that Insight data is fundamental just like OS Mapping. However their approach requires more targeted/refined levels of segmentation & more up to date feeds to maintain segmentation
- Birmingham is diverse, even from street to street, in terms of deprivation, ethnicity, household characteristics etc. Is this possible from ONS/OAC....it is hard to understand why not given the rich information available through government?

Showcase 6. Geodemographics Research at CLG

Alistair Edwards, Spatial Analysis Unit

- Alistair outlined why CLG need geodemographics emphasizing how their role uses Spatial intelligence to complementing other intelligence & Insight datasets to support Strategic Policy & Challenge.
- He described how geodemographics & CI can helpfully profile places to better understand need and develop strategy to more effectively target resources.
- He also illustrated how utilising particular techniques & combining data sets can link a policy issue such as community cohesion to issues of need/deprivation
- He also shared information around the Area Profiles developed to facilitate Ministerial & similar level conversations, & this led to a discussion around the potential proliferation of Place Profiles and the duplication of effort that this involves.

Showcase 7. Thought-provoking applications for OAC: widening participation in higher education

Dr Alex Singleton, UCL

- Alex used a specific issue to illustrate how geodemographics and OAC can be used to tell a story & identify issues and potential solutions.
- He showed how using different data sets that are in the public domain it is possible to develop an understanding of a key policy issue so that demand & supply in a key service delivery area can be significantly influenced over time.
- He also showed how there is potential to develop a customer facing application, and sign-posted attendees to the development of 2 tools, OAC Profiler and ONOMAP that are now available on-line at www.publicprofiler.org.

Group Exercise: What would you want from a Public Sector CI Tool? Part 1:

- Utilising the learning & messages generated from the inputs to date attendees were asked to identify the main elements that they would expect to find in a CI tool, & for these to be recorded on Post-Its.
- These Post-Its were then collated & grouped into themes to be discussed later on in the workshop.

Group Exercise: What would you want from a Public Sector CI Tool Part 2:

- Using the material generated from the first part of the exercise attendees were asked to explore one of the “themes/issues” that had emerged, focusing on actions that were needed to address the issue at a National, Regional &/or Local Level in more detail.
- Useability – Attendees were asked to use the OAC user group referred to throughout the day as a vehicle for maintaining momentum around both technical issues/future development of OAC and broader issues around the concept. LGA agreed to feed back the key messages from the day & consider further how they might be able to support/influence developments. Attendees could also contact Stephen Bond direct at ONS using his e-mail form the attendee distribution list. At a local level it was agreed that the key issue was around building analytical capacity & capability both within & across organizations
- Functionality – the broad issue of interoperability was high-lighted & that all data sets should be capable of integration using a common language and standards
- Capacity & Capability – Training & Development was seen as a key issue with the need to develop “intelligent customers” i.e. Elected Members & Senior Officers as key decision-makers being pivotal to a way forward. Acknowledgement was made of the IDeA work to explore potential for a national CI Academy. Attendees were also informed of the potential for the CI Academy approach to be piloted in the region through the LARI Programme. Further details will be posted on the programme web-page as the initiative rolls forward. Additionally there were a number of

IDeA COPs that addressed the issues being explored so attendees were reminded of the fact that they could register on these. An example is the Customer Insight CoP which can be accessed [here](#).

- Other Themes/Issues – Enhanced Communications with both internal & external customers was seen as a key attribute of both the tools & the approach. Affordability of the Data Sets was seen as a potential inhibitor to the more wide-spread roll-out of the concepts, but the increased value of Data & Information generally was seen as something that should be promoted at all levels & within & across public sector bodies.
- What is the value of Customer INSIGHT and use of geodemographics to providing efficient services. Maybe conduct similar study to the value of GI.
- Need for a Customer data standard so that data about customers can be more easily shared and profiled.
- Total Place questionnaire referred to MOSAIC and Acorn as tools for customer insight and did not refer to OAC. Contact Leadership centre to find out who send the questionnaire.
- Requirements for customer insight and geodemographics vary from area to area and authority to authority. There is not one size fits all. What segmentation should be used? Your own, OAC, ACORN or MOSAIC.
- For customer insight you need to know Who (People), What (Service), Where (Place). Combination of the three provides the profile required. The Who is the most challenging at the moment.
- Sharing of knowledge and resources such as the work done by SpAU of CLG on dynamics of neighbourhood areas would be beneficial to the wider community.

Overall Conclusions, Messages & Actions

- Public sector is being evermore challenged to cut public expenditure. Instead of being a problem or cost, Customer Insight can be part of a solution for saving costs by adding value and providing the evidence for delivering efficient customer services according to customer need.
- OAC provides a freely available self help tool for simplifying and classifying areas according to their socio-economic profile. It is based on the last census data and is output to census output area level.
- Current issues with OAC are:
 - Lack of understanding of OAC uses
 - Lack of tools and support services to use OAC
 - Lack of detail at postcode or household level
(output areas are meaningless to many)
- However, benefits are:
 - Standardised approach
 - Available for free
 - Based on census statistics
 - Easy to use
- The seminar identified a need for:
 - Enhancing capabilities for using OAC and geodemographic analysis in customer insight
 - Improving understanding of the use of OAC
what it means on assessing needs.
 - Enhancing OAC with own customer services data
 - Defining areas of likelihood of specific need rather than socio-economic profiles
This would require cross referencing between customer profiles and customer needs.
 - Providing customer profile data at larger scale ie postcode and house hold level (ie, Acorn and Mosaic)
 - Need for Promotion, training and development

Next steps

- Promoting OAC user group as a means for sharing best practice. Please, publish any case studies you may have on the site.
- To support building capacity and capability to use data through a possible seminar
- To consider a leadership workshop to raise profile and understanding for customer insight and use of OAC
- Share best practice between RIEPS and raise profile for the need of customer insight as an internal tool to provide efficient services
- Raise need for customer insight and the use of OAC and customer profiling with members and senior decision makers
- Identify senior managers and members to take note and support Customer Insight