

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

REPORT TO CABINET

4th September 2019

Report Title: Digital Transformation: Building a Better Citizen Experience

Submitted by: Head of Digital and Customer Services

Portfolio: Corporate and Service Improvement, People and Partnerships

Ward(s) affected: All Indirectly

Purpose of the Report

This report outlines the significant potential of developing a better digital service portfolio at Newcastle under Lyme. It outlines the options that have been considered by the digital team to address the identified needs, outlines the resourcing requirements to commence a digital development programme and provides a long term strategy to ensure that digital developments support achieving the Council's priorities.

Recommendations

- 1) **Adopt the Digital Strategy appended to this report;**
- 2) **Agree to the establishment of a dedicated Digital Team as detailed in the report;**
- 3) **Establish an ICT and Digital Services Steering Group**
- 4) **Delegate to the Chief Executive, in consultation with the Portfolio Holder, authority to make any minor amendments to the Digital Strategy prior to publication.**

Reasons

The proposed digital strategy addresses a number of issues faced by the Council.

The key objectives of the strategy focus on delivering prioritised outcomes that the Council will be able to achieve.

The formation of a digital team will provide the structure necessary to clearly drive forward digital services by providing a centralised pool of skilled individuals.

The burden of transformation placed on individual services can be reduced and methods of change applied in a consistent and reliable way.

Existing digital transformation attempts, although limited in scope, have been extremely successful.

The proposed governance arrangements highlight the commitment to digital transformation across the most senior levels of the organisation.

The clarity and simplicity of the structure will give services a simple route to bring forward proposals and ensure that the Council remains focused on delivering initiatives that support its corporate priorities.

1. **Background**

- 1.1. Throughout modern history, technological innovations have altered the way that people interact, share information and deal with the world around them. Every bold step forward has resulted in faster, cheaper and more accessible forms of communication that have been universally adopted as part of modern life. The past 25 years have been particularly turbulent times with disruptive new technologies completely altering the way people collaborate and see the world.
- 1.2. The growth of the internet, the evolution of personal computers and the proliferation of fast, reliable and near ubiquitous mobile communications are just a few examples of how incredibly powerful technologies and services have become both accessible and necessary components of modern life. Organisations have responded to this explosion in capacity by offering ever more immersive and innovative services to assist, entertain and inform a growing consumer market.
- 1.3. More recently, concepts such as the “Internet of Things” have come to reflect the interconnected world that we now live in. Inanimate “smart” devices that communicate and talk to each other have become commonplace and increasingly important as providers aim to deliver better services, more reliably and effectively. Everything from the industrial control systems that run power plants to the light bulbs in people’s homes have become digitally connected.
- 1.4. The immense growth in digital devices has also created industrial scale opportunities for data analytics. “Big Data” has given organisations far greater insight into how their services and products are consumed and whilst it has always been possible to make decisions based on understanding, the level of detail now available is far greater than ever before. Coupled with increased access to digital media, the influence this data can have over an individual is very significant.
- 1.5. The Public Sector hasn’t been isolated from the march of technology. Ambitious programs such as e-gov paved the way for better public services but it’s not until recently that organisations have truly begun to embrace the digital world. There is of course no right or wrong way of “doing digital” but what is clear is that innovation and change are not only inevitable, but are now very necessary.
- 1.6. This report seeks to highlight some of the issues faced by Newcastle under Lyme Borough Council with regards to digital delivery and the potential opportunities to address this.

2. **Issues**

2.1. *Delivering Better Outcomes*

The Council’s first priority is to deliver local services that work for local people. The provision of effective digital experiences will contribute significantly to achieving this priority but at present, the Council’s digital offering is limited. Most services that do exist online are simple forms that result in an email to a department, with virtually no traceability or integration with business applications. This situation requires significant improvement to address the needs of both the authority and its citizens.

2.2. *Growing our People and Places*

Local authorities have the power to influence how easy (or difficult) digital innovation can be. Recognising this and harnessing the responsibilities we have in shaping the physical environment, developing public infrastructure and supporting social inclusion is key to achieving the Council’s second priority of growing our people and places. Currently no services are addressing this and digital opportunities are not routinely considered as part of the Council’s day-to-day business.

2.3. *The High-Street and Office*

The future high street is a relatively new but significant problem. Digital services can contribute to the survival of the town centre in a number of ways; dedicated apps that promote town centre, physical infrastructure such as public Wi-Fi, 5G mobile services and assistive IoT technology are just a few examples of digital initiatives that could support the future of our town centres. Currently this future potential is not being developed or explored.

2.4. *The Environment*

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Environmental concerns are now a very significant issue. The enablement of digital services has the capacity to impact the local environment in a positive way – be that through reduced transport requirements or more efficient buildings. The environment impacts on all Council's priorities and currently, the positive potential of "digital" is not being considered and again, is not part of the routine business of the authority.

2.5. *21st Century Solutions - For All*

The Council has a huge opportunity to design services that are created to take advantage of modern tools and technologies. These services should be based on the needs of the customer, the authority and Newcastle as a whole, and not simply delivered in a particular way, because "we always have". This ties into the Council's corporate priority to develop local services that remove duplication, reduce costs and improve the quality of services. But this potential is not currently being explored.

2.6. *Data-Driven Decision Making, Personalised Experiences and Targeted Intervention*

The Council knows a lot about its customers. This knowledge can be used to deliver personalised customer experiences, make informed decisions, allocate resources more effectively and make better use of the limited public funding that we have available. Data and insight should be at the heart of the decision making processes in an ethical, transparent and sustainable way but are currently an afterthought at best and at worst, completely omitted.

2.7. *Tackling Digital Exclusion*

Newcastle has a diverse population and the Council is uniquely positioned to provide the leadership required for grassroots digital participation. This could be done in partnership with users, local stakeholders, central government, the commercial and third sectors. Presenting services that are of interest to the individual, are user-led in design and accessible to all will directly support the Council's third priority, a Healthy, Active and Safe Borough.

2.8. *The Council Does Not Have a Strategy to Address Digital Needs*

In the past 12 months, a small digital transformation at the Council has begun. Whilst successful in its outcome, this has however been a reactive transformation to meet very specific needs. The Council currently does not have a strategy to address its digital needs and this is essential to ensure we understand our digital journey and that any investment of resources is appropriately directed.

2.9. *Increasing Public Demand*

Demand for the Council's services continues to rise whilst the number of people available to deliver them is generally diminishing. This is not a sustainable method of working and the Council has to ensure that its services can be made available electronically. However, the development and release of services has to be done in a fully integrated way and not through the simple addition of new digital channels on top of old processes.

2.10. *Missed Commercial Opportunities*

Increasingly, Councils are being asked to finance their own operations and a key way to achieve this is through commercialisation. Digital technology is a key driver, facilitating increased capacity at limited cost. Any service that can generate income through its portfolio should not be restricted by technology but at present this is not representative of how the Council works.

2.11. *Resource and Commitment*

The Council currently has no resource dedicated specifically to facilitating digital transformation. There is also no agreed commitment from the Council's senior leadership to support such a programme. The Council's most recent endeavours have been "in addition" to officer's regular workload and in some instances that has resulted in other areas receiving a downgraded service. Clear direction and commitment is required if Newcastle is to make a success of digital transformation.

3. **Proposal**

3.1. *Adopt a Digital Strategy*

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To ensure that Newcastle Borough Council begins to proactively embrace the opportunities that improved digital services may offer, the Council's Digital Team have developed a Digital Strategy. A full copy of this (in draft form) is included in Appendix 1.

Through our digital strategy the Council will positively use the tools and technology of the information age to deliver its corporate priorities:

- Local services that work for local people
- Growing our people and places
- A healthy, active and safe borough
- A town centre for all.

We will do this by focusing on four digital priorities:



a) *Our Digital Service: Creating valuable, insightful and reliable digital services for residents, businesses and visitors*

This priority underpins everything that will be delivered; digital services that are accessible, add value and are based on insight about what customers actually need. Importantly, the services created must work completely and become the preferred method of contact above other channels.

The Council would need to tailor services according to what the public require and what is of benefit. The same principles would apply to internal services, underpinned by digital business models.

b) *Our Digital Community: Enabling our communities to benefit from the opportunities that digital can offer*

By including policy, practices and partnerships as a key digital theme, the Council can ensure that every aspect of how Newcastle develops supports future digital opportunities. Relatively simple decisions may be all that is required to have a big impact.

The Council can leverage its unique position as a provider of services, an influencer of the built environment and co-ordinator of organisations to affect how the wider Newcastle community responds to the digital challenges it faces. We are ideally placed to help our citizens, businesses and residents to realise the opportunities that a digital future presents.

- c) *Our Digital Culture: Empowering our staff with the skills and tools to develop and deliver efficient services*

Our staff are at the heart of the services that the Council delivers. The Council must empower its workforce to become Digital First – to deliver effective and efficient public services. We need to address staff skills to push the boundaries of what they do, to pursue opportunities, to understand our environment, to manage data, to act ethically and responsibly and to collaborate in ways never seen before. We need our organisation to continuously ask, where's the opportunity?

To ensure our success in the future, we need to prepare and ensure that our staff not only have the soft skills that are required, but also the specialist skills to effectively analyse data, gain insight, spot trends, effectively create content, dig deeper and feel empowered to make changes where the opportunities exist to make this possible.

- d) *Our Digital Organisation: Using data to inform decisions, deliver value and better understanding of our world*

This priority is critical to the Council's future success and involves moving towards a model of decision making that is not based on instinct, but on insight. This insight will allow us to focus our resources in the right places and provide the understanding to make more effective interventions at the right time. All of which makes better use of public money.

This method of organising our services will allow the Council to deliver its vision of opportunity, by understanding what our customers require and how those needs can be met.

The Digital Strategy will be finalised in conjunction with the Leader of the Council.

3.2. *Establish a Dedicated Digital Team*

If the Council is to seriously develop its digital presence, a number of key resources will need to be dedicated to delivering a digital programme. These are outlined below:

- a) *Digital Delivery Manager 1x FTE*

As part of the restructuring of Customer and Digital Services, a business manager post has been introduced for the role of Digital Delivery Manager. In general, this person will be responsible for delivering on the Council's Digital Strategy and co-ordinating the efforts of the digital team at both a strategic and operational level with other services, partners and external providers.

- b) *Digital Delivery Project Manager 1x FTE*

Currently, an ICT project manager is dedicated to supporting the digital delivery project as their sole responsibility. A second project manager has also been seconded to the Recycling and Waste service to support the delivery of the revised collection arrangements (which is also heavily dependent on digital delivery). It is anticipated that project management resource will be an ongoing requirement and is mentioned here, as future capacity issues may be experienced.

- c) *Business Process Engineer 1.5x FTE*

A key element of the digital strategy is to develop processes from the ground up; to redesign them with modern, technical solutions in mind rather than simply doing something because we always have. This is accomplished through business process engineering. Capacity to complete this work needs to be introduced as at present, it is being provided on an ad-hoc basis in addition to a post holders existing workload.

- d) *Process Engineering and Project Support 1x FTE*

As the workload for the digital delivery team grows, the capacity of the project manager and business process engineer will be directly affected. To ensure they can operate effectively, a support officer with suitable project management and business process experience will be

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introduced. This officer will deliver smaller scale transformation projects independently and work to support the senior officers. A resource from ICT is currently being aligned to this role.

e) *Spatial Support Officer 1x FTE*

A key element of the digital transformation programme will be the availability of reliable address information. The Council currently maintains an address gazetteer which underpins most systems but a number of improvements need to be made. In addition, data driven decision making is highly influenced by the expression of data in a spatial context which at present, cannot be resourced. It is intended that an officer from the Council's Benefits team be re-skilled to fill this important role.

f) *Digital Developer 1x FTE*

To deliver complete digital services, a senior developer will be required. This individual will work with the digital team to translate business processes into operational services. They will also act as the link to other technical specialists within ICT, ensuring the effective integration of systems and adherence to appropriate standards. It is anticipated that these responsibilities will be fulfilled by the existing ICT officer providing the service.

g) *Development Apprentice 1x FTE*

To support the Digital Developer, an apprentice will be introduced. Arrangements have already been made through training provider QA, to source a suitable individual and provide a structured training programme. The training is being provided as part of the Council's apprenticeship levy and will result in the post holder securing a recognised industry qualification.

h) *Forms & Content Creator 0.6xFTE*

A number of the Council's existing forms which do not need to integrate with back office systems can be easily created and managed by a digital content creator. This individual will also ensure the co-ordination of the digital delivery team's products with other services such as the Council's website and contact centre. This is important as the consistency of information across multiple channels is essential to effective delivery.

The roles identified above will be sufficient to deliver to core components of the Council's Digital Strategy:

- Migration to the Jadu CXM Platform
- Service Transformation*
- Mobile Working for front line services*
- Self Service
- Digital Inclusion
- Transparency and Information Management*

Some of the initiatives listed above (denominated with a *) may require additional investment in new technology or specific staff resources. Where requirements such as this are identified, it is anticipated that they will require the production of a business case for consideration by the Digital board or via an existing Council structure. This is also the case for other initiatives listed in the action plan of the Digital Strategy; the core team will commence the required work, but each will be considered on a case by case basis.

3.3. *Adopt a Governance Structure for Digital Delivery*

To ensure that the Digital Delivery programme results in tangible outcomes and remains focused, an appropriate governance structure must be established. It is proposed that a corporate ICT & Digital Services Steering Group is established and chaired by the Portfolio Holder for Corporate and Service Improvement, People and Partnerships. The group's vice chair would be the Council's Executive Director for Resources and Support Services.

Terms of reference for this group were agreed by the Council's Executive Management Team in May 2019 and are included in Appendix 2 for consideration.

4. **Reasons for the Preferred Solution**

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- 4.1. Section 2 outlines a number of significant issues that the Council faces, both internally with regard to the sustainability of our current operating model and in the wider community. The proposed Digital Strategy is intended to directly address most, if not all of these issues in a flexible and sustainable way that can be tailored to the needs and capacity of Newcastle under Lyme.
- 4.2. The key objectives of the strategy focus on delivering prioritised outcomes that the Council will be able to achieve. The suggested method of evaluating other streams on a case by case basis will allow the Council to investigate promising digital avenues, but with sufficient corporate oversight to ensure that we use the funding we have appropriately and do not invest in “nice to have” prospects, that ultimately deliver little or no value.
- 4.3. The formation of a digital team will provide the structure necessary to clearly drive forward digital services. The proposed strategy has a number of aspects that will ultimately be delivered in partnership with other service areas and having an appropriate structure in place to facilitate and co-ordinate this will be essential. By providing a centralised pool of skilled individuals, the burden of transformation placed on individual services can be reduced and our methods of change applied in a consistent and reliable way.
- 4.4. It is also important to recognise that existing digital transformation attempts, although limited in scope, have been extremely successful. The launch of the Chargeable Garden Waste service for example resulted in over three quarters of the 20,000 subscriptions being completed entirely online. Completing a sign-up over the phone takes approximately seven minutes, so the resulting digital initiative removed the equivalent of 1,750 hours of work – or put another way, four full time staff members working flat out for nearly 12 weeks.
- 4.5. The model of operation used to deliver the Chargeable Garden Waste service will ultimately be used by the digital team again in other service areas. It is fully anticipated that these transformative activities will result in quantifiable, cashable savings in both front line and back office functions. Each transformation will be accompanied by appropriate documentation that specifically identifies the anticipated benefits and provides a method of evaluation for future performance.
- 4.6. For a project of this scale, an appropriate governance structure has to be in place. The proposed arrangements also highlight the commitment to digital transformation across the most senior levels of the organisation. The clarity and simplicity of the structure will give services a simple route to bring forward proposals and ensure that the Council remains focused on delivering initiatives that support its corporate priorities.

5. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 5.1. As previously identified, the outlined proposals link to all Corporate Priorities.

6. **Legal and Statutory Implications**

- 6.1. Elements of the proposed work streams are affected by the following legislation:
 - a) General Data Protection Regulations
 - b) Privacy and Electronic Communications Regulations
 - c) Data Protection Act
- 6.2. The full legal implications of any digital delivery strand will be fully explored as part of the development process.

7. **Equality Impact Assessment**

- 7.1. It would not be appropriate to create an overall Equality Impact Assessment for this report's proposals. However, full assessments will be routinely carried out where any changes are being made to existing service delivery methods.

8. **Financial and Resource Implications**

8.1. *Staffing*

Role	Status	Cost	Funding
Digital Delivery Manager	Vacant	£60,000	BGF
Project Manager	In Situ (ICT)	£44,000	ICT (A121)
Business Process Engineer	0.5 In Situ (BI)	£20,500	BI (A514)
	1.0 Vacant	£41,000	BGF
Process & Project Support	Redeployment (ICT)	£37,600	ICT (A121)
Spatial Support	Redeployment (Benefits)	£33,200	Benefits (G107)
Senior Developer	In Situ (ICT)	£37,600	ICT (A121)
Apprentice	Vacant	£17,300	ICT (A121)
Forms & Content Creator	In Situ (Customer Svcs)	£15,400	Customer Svcs (A605)
Table 1 – Anticipated Staff Costs			

The anticipated staff costs outlined in table 1 are whole year amounts including on-costs. Where existing staff are already in post, it is anticipated that their funding source will remain unchanged.

A significant amount of resource is being released by ICT. This has been accomplished by:

- Backfilling Project Management Resource with costs covered by Recycling and Waste Services.
- Introducing a Cyber Security apprentice, releasing an existing officer to provide project and process support.
- Introducing an ICT Service Desk apprentice to backfill resources within the support team.

Both ICT apprentices are outside of the scope of this report, but costs are being covered through the reuse of funding for a vacant senior post.

It is anticipated that Borough Growth funding of at least £100,000 will be available for a period of three years to support the core team.

8.2. *Systems and Services*

Where additional expenditure is identified as a requirement, this will be evaluated on a case by case basis. As part of this process, a business case will be required to justify any spending required against achievable cost savings. Funding sources will require identification at the point of business case submission.

Initially however, £15,000 has been allocated from this year's Borough Growth Fund to cover the costs of any early interface purchase/development requirements.

9. **Major Risks**

9.1. Specific risk profiles will be delivered for each of the programmes initiatives. However, significant risks include:

- **Data Management**
Each new service will involve the processing of significant personal information. This must be appropriately managed and protected as a legal obligation.
- **Failure to Deliver**
The Council is considering a very significant programme of transformation and this inherently carries a risk that all outcomes will not be delivered. However, the proposed team structure and governance arrangements are expected to mitigate this as much as possible.
- **Lack of Support**

Any programme of significant change will result in a degree of resistance. The Council must manage this appropriately to ensure the digital delivery programme generates the anticipated service improvements.

- Savings Fail to Materialise
Whilst specific savings will be quantified on a case by case basis, there is a combined risk that a lack of support from the organisation and the failure of the digital team/service areas to deliver change will prevent these savings from being realised.

10. **Key Decision Information**

10.1. This report is considered as a key decision as the outcomes indirectly affect all wards.

11. **Earlier Cabinet/Committee Resolutions**

11.1. 18/01/2017 – Cabinet, Digital Delivery of Services

12. **List of Appendices**

12.1. Appendix One – Draft Digital Strategy

12.2. Appendix Two – ICT and Digital Steering Group Terms of Reference.