Digital Strategy: Final Outline Business Case

Please note, the benefits described within this document are at an outline level. They are based on available information from similar organisations and do not represent final benefits that may be achieved by Newcastle Borough Council. They are indicative values only.

Links to Corporate Priorities and/or Improvement Themes	Local services that work for local people Growing our people and places A healthy, active and safe borough A town centre for all		
Directorates Affected	All		
Wards Affected	All indirectly		
Start Date	February 2019	Target Completion Date	March 2022

Strategic Case

Rationale for Change

In 2018 the Council set out its four year Council Plan which focused on four key priorities:
- Local Services that Work for Local People;
- Growing our People and Places;
- A Healthy, Active and Safe Borough; and
- A Town Centre for All.

Local Services that Work for Local People makes a significant commitment to delivering a comprehensive digital offering. The Council's commitments to improve quality, reduce costs, and upskill the Council's workforce are key considerations in the proposed Digital Strategy.

Growing our People and Places also makes commitments that are digital dependent. Ensuring that our residents have the skills to benefit from digital is a key consideration, particularly in relation to employment. Many other priority commitments also have significant digital considerations.

A Healthy, Active and Safe Borough can be supported by digital. Maintaining high standards of street cleanliness, providing effective waste services and numerous other commitments all have digital requirements – enabling the staff who provide these services to work more efficiently.

Developing Town Centres for All is the final strategic priority with a digital theme. The Council Plan recognises the changing landscape of the town centre and the contribution of digital infrastructure provisions such as 5g and public Wi-Fi to enhancing the experience of residents and visitors.

Strategic Opportunity

The Digital Strategy sets out how we as a Council intend to ensure that our residents, businesses, partners and visitors can maximise the opportunity that digital delivery presents. These include but are not limited to:
- Reducing the cost of service delivery;
- Maximising the capacity of existing resources;
- Avoiding waste through no-value contacts or errors;
- Improving the quality, consistency and convenience of services offered;
- Redesigning services to remove legacy inefficiencies;
- Enabling our communities to exploit digital opportunities;
- Empowering our citizens to use digital services;
- Providing infrastructure that supports growth;
- Ensuring future "digital" capacity;
- Combating digital exclusion;

- Supporting "Government as a Service" principles;
- Improving our decision making processes.

Stakeholders

- Residents of Newcastle under Lyme;
- Businesses within Newcastle under Lyme;
- Newcastle BID;
- Other local authorities sharing our boarder;
- Local social landlords and other housing providers;
- 3rd Sector partners;
- Commercial service providers within the project scope;
- Elected Members and Members of Parliament;
- Council employees and their trade union representatives.

Commercial Case

Rationale for Change

The Council faces challenging financial times. Our current Medium Term Financial Strategy anticipates a budget shortfall of £1.064m in 2020/21, followed by £0.764m in 2021/22. These are significant amounts for an authority which has already seen a significant reduction in funding in recent years.

The need to identify further efficiencies and deliver greater opportunities to generate income is considerable. Coupled with increasing demand for services, higher public expectations, challenging national political circumstances and economic uncertainty, the Council must use all the means at its disposal to ensure that its medium term finances are sustainable.

Commercial Opportunity

The Council can already point to a number of successful examples of exploiting digital opportunities for the benefit of both the organisation and the residents of Newcastle under Lyme.

Example 1. Chargeable Garden Waste – Enabling Income Generation

In late 2018, the Council introduced a chargeable garden waste service. Residents were able to sign up online, over the phone or in person. In the first six months of the service, over 20,000 subscriptions were completed and 78% of those were processed entirely online

If the online service had not been available, processing the 15,600 subscriptions it facilitated would have taken at least 109,200 minutes of staff time. Put another way, 4 FTEs working for 12 weeks and 2 days. Staff costs alone would have been around £25,000 (G5 SCP11). .

The actual costs would have been higher as accommodation and IT are all additional expenses. Plus, it is not realistic that 15,600 phone calls would have been received in immediate succession. Adding just 2 minutes to each transaction for "downtime" results in cost increases of around £7,000.

The online process also had a non-tangible benefit that people were able to sign up at any time. More than a 1/3rd of the signups happened outside of operational hours. This would not have been possible without the digital service and some residents might not have signed up at all.

The Council's investment in developing an integrated, easy to use and reliable sign up process clearly paid dividends for the authority and will continue to benefit our residents when the first subscriptions renewals happen later in the year.

Example 2 – Electronic Documents – Enabling Efficiency

In 2012 the Council's Geographic Information Team managed the electronic capture of 33,000

planning applications. The project cost £79,000.

The Council's Property team estimated the space used to store paper files had a cost of £12,750 per year. In addition, a four strong administration team managed the retrieval and replacement of files for officers, who would request the documents and then wait for them to be delivered.

The scanning process saw all of these files imported into the Council's document management system and the originals disposed of. The space associated with them was subsequently rented to the local PCT and Staffordshire County Council generating an income for the authority.

The support team, through natural wastage was reduced from 4 full time staff to one part time administrator. Based on 2019 costs, this saved the authority approximately £74,000 per year – based on 3 x Grade 4 operatives. In the years since completion, that's at least £444,000.

The project also resulted in several non-tangible benefits such as completely removing the retrieval delay for Planning Officers, considerably improving data confidentiality, integrity and availability – most files were made available to the public via the Council's website post scanning.

Other Authorities

A number of local authorities have embarked on digital transformation programmes. These authorities have invested in resources to enable transformation and examples outcomes are below:

Pembrokeshire County Council	
Encouraging digital responses to annual electoral canvases through better letter design and instructions	£13,300 Savings when trailed with 50% of the electorate.
Calderdale Borough Council	
Designing a self-service taxi licensing form to reduce processing times and remove back-office inefficiencies.	15% increase in processed licence applications. Savings of £53,134 over 6 months following launch.
Elmbridge Borough Council	
Using SMS text messages to remind residents about Council Tax and Business Rate payments.	£39,900 savings from post and associated workload within 1st year.
Scarborough Borough Council	
Redesign of waste services to use in-cab technology, online reporting forms and proactive customer information	58% channel shift towards online self-service. £262,000 savings through fleet, self-service and admin.
Waverly Borough Council	
Improvements to key online forms and processes most commonly used by customers.	£94,000 savings, 20% shift to self-service.
Table 1. Example projects from other authorities.	

Economic Case

Rationale for Change

Like any other programme of change, investment is required in order to deliver benefits. The Digital Strategy outlines a number of core programmes that will be used to underpin delivery within the authority. These include:

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

It is anticipated that over the initial three years of the programme, headline investment of approximately £919,800 will be required to cover the core work components. Predominantly these cost are associated with the resourcing of the Digital Programme as outlined below in table two.

Role	Status	Cost	Funding
Digital Delivery Manager	Vacant	£60,000	BGF
Project Manager	In Post	£44,000	ICT
Business Process Engineer	0.5 In Post 1.0 Vacant	£20,500 £41,000	Business Improv. BGF
Process & Project Support	Redeployment from ICT	£37,600	ICT
Spatial Support	Redeployment from Benefits	£33,200	Benefits
Senior Developer	In Post	£37,600	ICT
Apprentice	Vacant	£17,300	ICT
Forms & Content Creator	In Post	£15,400	Customer Svcs
	total	£306,600	

Table 2. Anticipated Staff Costs

The bulk of these costs can be met from existing budgets. However, a contribution of £100,000 from the Borough Growth Fund is required over the next three years, to cover the costs of a dedicated Digital Delivery Manager and a Business Process Engineer.

Whilst there will also be costs for technology, development and specialist external input, these will be considered on a case by case basis. The ICT and Digital Board will evaluate these business cases and decide whether or not they can be justified based on the anticipated financial and non-financial benefits.

It is the overall aim of the Digital Programme to realise ongoing efficiencies that are cumulatively in excess of programme costs.

Critical Success Factors

Each element of the Digital Delivery programme will have its own defined Critical Success Factors and associated Key Performance Indicators. However, there will a small set of overriding Critical Success Factors that will define the overall performance of the programme. These include:

Factor	Description
Customer Experience	The development of customer focused services that deliver enhanced value and outcomes for residents.
Channel Shift	Successful implementation of digital services that encourage citizens to transact digitally with the Council rather than through traditional channels.
Financial Efficiencies	The delivery of cost reductions and enhanced income generation opportunities.
Community Effect	Enabling our communities to receive, utilise and benefit from digital services and infrastructure.
Workforce Enablement	Facilitating our staff developing digital skills, working more efficiently and challenging service delivery.

Financial Case

Rationale for Change

The financial case for undertaking the Digital Delivery Programme is to generate sustainable, ongoing savings for the authority. As a minimum, these savings should repay the cost of the initial investments but the desire is to deliver considerably more.

Projects covered under the Digital Delivery programme will be considered in two broad categories:

- Enhancement Initiatives
  Existing Council Projects where digital enhancement can contribute to the delivery of greater savings, cost avoidance, enhanced income generation or better outcomes at no additional cost.

- New Initiatives
  These are projects which are not identified as part of any existing savings plan and offer

new ways for the Council to generate efficiencies or improve service quality. These initiatives should be considered as fluid and will evolve as the programme progresses.

Overall, projects will deliver financial benefits through the removal of resources, reduction of associated costs or enhanced income generation.

Financial Implications

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 Sutu (BI) 1.0 Vacant	£20,500 £41,000	BI (A514) 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)

Benefit Opportunities

Examples of the benefit opportunities are included below. These opportunities have been classified as either Enabling or New.

Enabling initiatives are those which allow existing services to deliver better outcomes at little or no additional cost and represent substantive improvements on things we already do.

New initiatives represent areas of digital services that the authority has never used before, but have the potential to make significant improvements. For each, examples of financial, and non-financial benefits have been outlined.

Please note, this is not an exhaustive list and has been provided to show examples of what could be possible.

Enabling Initiative: Self Service

Self Service is a building block of digital delivery and a core aim; to allow residents, business and visitors to transact with the Council online, 24x7x365.

Facilitating our citizens retrieving information and logging their own requests online will create obvious efficiencies within front line operations. However the real benefits will be delivered when seamless, end-to-end transactions that are designed for electronic delivery fundamentally improve how the authority works, for the benefit of all.

Description	Financial	Non-Financial	Example (where available)
Licensing			
Low value, easily automated interactions such as the booking of appointments or the taking of payments can be made available online as an "end-to-end" process. The revised process would also ensure that any pertinent information is automatically sent to the applicant in a clear, unambiguous way.	Releasing 1x FTE administrator (through improved process) and 1x FTE Licensing Officer (through improved capacity), this could save the service c. £53,000pa. Potential for additional income by increasing the capacity to process licensing applications (through reduced processing times). Any additional capacity generated as a consequence could bolster the £80,000 the Licensing Team have already set as a target for 2019/20.	Improved customer access to services which operate outside of traditional office hours. Improved management of customer expectations through consistent and structured processes. Reduced back office administration through integrated interfaces. Improved data confidentiality, integrity and availability through automated transfers rather than manual processes.	Wolverhampton City Council in 2015 "digitised" their private hire licensing process. The improved capacity facilitated the licensing team processing over 9,000 licences each year, generating approximately £2.2m for the authority. The Council believes that the efficiency of their licensing processes has allowed them to maintain a consistently high service quality that meets the requirements of the law, the authority and the customer.
Waste Services			
The online Chargeable Garden Waste service signup form was used by approximately 15,600 residents and was designed to accommodate future renewals as well as registrations. In November when the first subscription period ends, customers will be able to sign up online again, without intervention. Reminders can be sent out electronically without any need for postage or manual intervention.	Processing 15,600 renewals would require 4 members of staff to work constantly for 12 weeks, at a cost of approximately £25,000. Sending out reminders via post would also cost around £9,500. Both costs can be avoided, reducing service overheads by £34,500 year a year. In three years this will total £103,500.	Improved customer access outside of traditional office hours. Simple automation of a complex service with virtually no human administration. Reduced disruption to other services areas that rely on the corporate contact centre.	This is an internal example of work that has already been undertaken. As the number of service subscribers grows, the costs eliminated from the process will increase.

Enabling Initiative: Mobile Working

Service redesign to include mobile working applications is a further core component of the Digital Delivery programme.

Mobile Working initiatives are anticipated to have the most benefit in teams that deliver services within the community such as Environmental Health and street scene services. The digital delivery team will seek to identify suitable solutions to meet identified needs.

Description	Financial	Non-Financial	Example (where available)
Pest Control Services			
The Council's Pest Control Team could be equipped with suitable mobile working equipment allowing them to receive and update their work orders electronically without having to visit the depot. The system could also provide payment and booking facilities "in the field" for residents that wish to further utilise services.	Increasing the capacity of the pest control service through more effective workload management could generate additional income for the authority. A visit to control wasps for example is £73. If additional capacity for one visit per day could be generated amongst 2 officers, between May and September that is potentially an additional £10,000 of income.	Improved customer access to services during peak times. Reduced CO2 through the removal of unnecessary journeys. Consistent updating of completed jobs and improved capacity for customers to book services at convenient times.	In Birmingham, Community Nurses were provided with smartphones and a dedicated app to allow them to receive their work. Routes were optimised according to location and jobs dynamically updated. Nurses taking part in the project were able (on average) to complete two more calls per day and decreased their time spent travelling by 20%, giving them more time for patient care.
Streetscene Services			
Streetscene teams could be provided with mobile working technology that would allow their work to be delivered autonomously and updated whilst in the field. The mobile equipment could also be used to log new work requests, perform monitoring activities such as playground equipment and avoid data re-entry/manual capture.	The Council's Streetscene teams provide a variety of services. Many of these involve capturing information manually for later recording. If information could be captured directly through the use of a form or app and autonomously processed, releasing one administration post could save around £25,000 per year.	Improved resident satisfaction as crews "log jobs" as they go and are able to provide real time updates. Improved capacity to manage workload and distribute jobs amongst available resources. Improved resilience and ability to respond to unexpected situations. Reduced reliance on telephone contacts and printed job sheets. Improved tracking of reports that are potentially used to defend the Council.	Bristol City Council needed to increase the efficiency of its mobile neighbourhood based staff; reducing office based hours, increasing reporting of local issues affecting the community, and using the opportunity to greater enablement of residents to engage with online services. Using mobile technology facilitated office hours being reduced for 25% of staff and targeted online transaction increased by 22,000 during the first 12 months.

New Initiative: Value Add Services

Through the process of process re-engineering, members of the Digital Team will also look at how value added services can be used to enhance the way that the Council works. This is part of the Our Digital Culture theme and encouraging staff to always look for the opportunity.

Whilst a number of the possible initiatives might not result in a direct financial saving, they could significantly improve how the Council works.

Description	Financial	Non-Financial	Example (where available)
Document Management			
As an organisation, the Council still holds a significant number of "paper" files in offsite storage and is still very paper based. The digital team can investigate how better use can be made of the document management platform, strategies put into place to deal with paper files and improve how information is presented that would traditionally require paper.	Reducing the need to print committee agendas and minutes could save in excess of £10,000 per year based on 2018/19 print costs incurred by Committee Services Reducing the number of files stored by Dataspace will reduce overall costs. At present, the Council spends around £11,000 per year on storage and retrieval.	Significant reductions in the delay to recover documents. Improved management of documents and ensuring retention periods are respected. Reduced carbon footprint associated with retrieval and re-filing. Greater understanding and control of the Councils information liabilities.	In 2012 the Council's GIS team managed the scanning of 33,000 planning applications. This removed the requirements for a four strong administration team who managed the recovery and storage of files (approx. £74,000pa), allowed space to be rented to Civic Office tenants (approx. £12,750pa) and gave highly skilled planning officers instant access to the information required through the integration of the service specific software with the document management system.
Collaboration Tools			
As part of the Council's migration to Windows 10 and Office 365 a number of value added services will become available. Collaboration software such as Microsoft Teams and SharePoint will facilitate virtual meetings, online versions of Word similar productivity apps will allow multiple editors to work on documents, all at no additional cost to the authority.		Improved service efficiency – physical presence would no longer be a barrier to participation. Greater collaborative opportunities to increase "cross-council" working. Reduce the "isolation" between on and off-site workers. Silo-busting services allowing greater understanding and controlled exposure of our data.	The Council's Digital Team have been using Microsoft Teams as a collaboration tool. The simple interface has allowed the team to manage all of their information in a single place, accessible to all. Meetings have been conducted with both physical and virtual participants, documents shared for comments and collaboration, saving hours of officer time and countless emails with differing versions of files.
New Initiative: Robotics and Artificial Intelligence			

Robotics and AI are a relatively new area, not only for Newcastle under Lyme but local authorities as a whole. However, a number of very promising projects are currently underway in other authorities to tackle everything from reporting pot holes to combatting loneliness.

The digital team will look at the possibilities of what AI and robotics and achieve and how this will be of benefit to the authority.

Description	Financial	Non-Financial	Example (where available)
Customer Services			
Our Customer Relationship Management system provider, Jadu, have recently created integrations that would allow the Councils e-forms to communicate with the Amazon Lex Service (the technology that underpins the Amazon Alexa). The flexible Lex service could be used not only to drive online interactions (i.e. through web-chat) but also telephone interactions and traditionally "human" channels.	Integration with AI and robotic agents such as LEX has the capability to release significant efficiencies when dealing with customer interactions in both the front and back office. If it were possible to release four staff from across the authority as a consequence of introducing autonomous agents, savings in excess of £100,000 could be realised.	24x7x365 contact centre. Maintains the comfort of a telephone service with the efficiency of the web. Provides a quasi-channel-shift option for people who cannot or will not use the internet. Consistent, rule based service delivery. Can be used to deliver complex services which require greater interpretation than IF/THEN logic.	Northampton Borough Council are currently investing heavily in AI integration. They estimate that if it is possible to automate 20% of the calls they handle, that could save their authority in the region of £165,000 per year.
Planning Services			
The planning service is an example of a highly regulated area of the authority where AI could be used to increase the efficiency of the service. Using appropriate AI, the review, response, classification and retrieval of planning applications could be dealt with automatically. Intelligent chatbot services could also be used to deal with routine planning queries, freeing up officer time.	Increasing the capacity of the planning team through improved process could facilitate greater numbers of applications being processed, which could generate additional income for the authority.	Improved consistency of decision making. Logging of advice given through automation. Less officer time spent dealing with routine queries. Improves the availability of officers to deal with engagement and more substantive planning issues.	A project is underway in Milton Keynes to integrate smart chatbot services with back office planning infrastructure. Whilst specific numerical data hasn't been published, the authority has confirmed that since the services launch, the volume of calls to the council's Planning team has been reduced, while the number of conversations with the AI has increased, saving planning officer time.
New Initiative: Our Digital Communities			

Ensuring that everyone benefits from the opportunities that digital can offer is a critical component of the digital strategy.

The Council is uniquely placed to encourage the development of digital skills and ensure that the future infrastructure requirements of a digitally successful area exist. Most services already have strategies that could help to achieve this goal, we simply need to mobilise wherever we can and ensure that digital is considered in the future.

Description	Financial	Non-Financial	Example (where available)
Economic Development			
The Council's economic development strategy includes plans to improve place and infrastructure, recognising that retail is not the only driver which makes a town successful. As part of these plans, digital infrastructure should be considered, such as the provision of free Wi-Fi in public places, the roll out of 5G and ensuring that infrastructure exists to support gigabit broadband.	Reduce the number of vacancies within the town centre, contributing to the economic success of the area. Reduce the cost of entry for "pop-up" and independent traders by providing infrastructure that accommodates greater flexibility. Attracting newer, high-tech industries to the area, particularly around the university corridor.	Greater town centre footfall. Improved experience of Newcastle for residents, visitors and businesses. Encouraging the regeneration of the town and the wider Newcastle area.	Warwickshire County Council and Loughborough University recently collaborated on a Digital High Street project aimed at increasing the town's attractiveness and engagement with visitors. The County Council provided digital skills training which was taken up by around 70 town centre retailers. A number of retailers have subsequently expanded their operations into the digital space as a direct consequence.
Local Area Partnership			
The Good Things Foundation estimates that by 2028, 6.9 million people in the UK will have no basic digital skills. The Council can use its unique positon within the community to influence the availability of training and development opportunities for individuals who are digitally excluded, ensuring that our population are digitally enabled.	GTF estimate that 62% of individuals (age 15+) without Basic Digital Skills are economically inactive compared to 29% for the sample of individuals with all five Basic Digital Skills. There is considerable scope to not only assist these people in becoming economically active by growing their skills, but also to reduce their dependency on benefit services.	Reducing digital exclusion for those affected. Encouraging people into the workplace where they would otherwise be prevented – providing greater self-worth and purpose. Reduced anti-social behaviour and criminal activity. Greater resident satisfaction through better provision of information and inclusion.	Leeds City Council in partnership with the One Public Estate created a number of community hubs across the metropolitan area. The hubs provided digital training services and internet access amongst other things Evidence has identified considerable customer satisfaction with being able to access services and the hubs have seen an increase in usage; one reporting a 95% per cent increase in use and a 31 per cent increase in the use of the enhanced ICT facilities.

Example Lifetime Benefits

The table below summarises some of the example financial benefits included above over a four year basis.

This model is for illustrative purposes only and economic opportunities would be calculated as part of any future business cases. The model assumes a 2% increase in costs, year on year unless indicated.

Initiative	Year 1	Year 2	Year 3	Year 4	Total
Example Licensing Services Improved administration requiring less resource	£53,000	£54,060	£55,141	£56,244	£218,445
Waste Services – Online subscription processing in lieu of telephone contact	£25,000	£25,500	£26,010	£26,530.20	£103,040.20
Pest Control – additional income through increased capacity	£10,000	£10,200	£10,404	£10,612.08	£41,216.08
Streetscene – Improved administration and data capture.	£25,000	£25,500	£26,010	£26,530.20	£103,040.20
Document Management – Reduction of printing for committees	£10,000	£102,00	£10,404	£10,612.08	£41,216.08
Document Management – Reduction in off-site storage requirements (assumes decreasing storage by 15% for the first three years establishing a base at year 4)	£1,650	£3,272.5	£4,689.025	£4,917.913	£14,529.44
Jadu CMS – Increased self-service usage.	£100,000	£102,000	£10,4040	£106,120.8	£412,160.80
				Total	£933,648