

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

1st August 2018

**Report of the Assistant Chief Executive and Chief Digital Officer -
Karen Jones**

Matter for Decision

Wards Affected: All

SECTION A

SMART AND CONNECTED – A REVISED DIGITAL STRATEGY

Purpose of Report

1. To seek authority from the Cabinet to consult on the revised Digital by Choice Strategy.

Background

2. The Council's first digital strategy was approved in 2015. The initial strategy – Digital by Choice – focused on developing on-line services, predominantly for transactional services, and encouraging take up of those services.
3. There has been considerable progress which is summarised in the next section of this report, although there are also important features of the initial strategy that were not delivered as initially envisaged.
4. Since 2015, the rate of technological change has continued to accelerate. The Council must adapt to the way in which technology is shaping the way citizens want to access and experience services, take every opportunity to harness the potential of technology to transform our environment and our economy whilst also working to reduce the inequalities for those not yet participating in the digital revolution.

5. The revised Strategy (attached at Appendix 1) seeks to extend the scope of the initial digital strategy considerably to focus on three strategic priorities:
 - **Priority 1** - to improve our understanding of residents', customers' and stakeholders' needs and preferences and extend the range of and participation in the Council's on-line services;
 - **Priority 2** - to contribute to the development of favourable conditions for economic growth in the county borough; and
 - **Priority 3** – to embrace a “digital first” approach to all internal functions and activities within the Council.
6. At this stage in the policy development process, it is important to gauge the appetite amongst the Council's stakeholders for a more ambitious approach to our digital agenda. Within each of the strategic objectives, there are key actions proposed which, taken together, have the potential to achieve our vision of becoming a smart and connected county borough.

Key Achievements 2015-2018

7. The initial Digital by Choice Strategy sought to:
 - Develop a range of on-line services based on a set of agreed principles;
 - Encourage the public to take up on-line service options rather than traditional alternatives (face to face and telephone in particular);
 - Remove barriers to digital participation for those who were not already on-line.
8. In terms of outcomes, the Strategy anticipated there would be a reduction in the number of people contacting the people by telephone, in person or by letter. In other words there would be a shift from traditional channels to digital channels.

9. To achieve this, the Strategy recognised there would need to be a number of cross-cutting/enabling actions:

- Developing approaches to tackling digital exclusion;
- Ensuring the new services met equality duties;
- Were well-designed and avoided creating unwanted contact (“preventable demand”);
- Ensuring underpinning technologies could work in an integrated way around the needs of customers/citizens (eg databases could talk to calendar applications and payment applications);
- The Council had the skills in its workforce to deliver the Strategy; and
- Marketing and communications activities supported the overall programme of work.

10. The following is a summary of what has been achieved since the Strategy was approved:

(a) Channel Shift

The corporate website was transformed:

- Over 3,000 pages reduced to around 1,000 pages;
- SOCITM rating improved from 1 to 3 Stars;
- Welsh content improved from around 30% to providing almost a full bi-lingual facility; and
- 97% of people surveyed agreed the website has improved.

(b) New on-line services

- 27 services fully or partially on-line;
- A further 6 on-line services are currently in development;

- The take-up of on-line services is good. Take up varies according to the nature of the service and the demographic profile of the customer base (from 34% to 100% of total transactions);
- Information for elected Members is now digital by default with Members having been equipped with suitable ICT on induction and almost all elected Members opting to receive their reports and other information via the Modern.gov on-line application; and
- The cost base of some services has reduced eg Customer Services has realised a budget saving of approximately £500k over the period as demand for face to face and telephone channels correspondingly reduced, enabling a reduction in the number of staff employed in this service. A similar impact is seen in the cost of printing which has seen an 80% reduction over the period as publications across the Council were placed on-line. Postage costs also reduced from almost £500k in 2016/17 to £336k in 2017/18, however internal courier costs remained flat at circa £80k.

(c) Marketing and Communications

- The “Switch” branding was created with the strap line “Save Time, Do It On-line”;
- The branding was applied to all e mail signatures across the Council;
- Phase 1 of the marketing campaign has concentrated on encouraging people who are already on line to use the Council’s on-line services
- Subscribers to the Council’s social media accounts increased over the period: Facebook (5,751 followers in Jan 2018) (11,405 Twitter followers in Jan); and
- Phase 2 of the Switch campaign is encouraging people not yet on-line to participate in a photo-sharing project “Neath Port Talbot Memories”. By encouraging people to take part in the project to share photographs about the county

borough on-line, people will develop confidence and skills to also do other things on-line.

(d) Insight

- Using the system thinking principles developed previously by the Council which focuses on what matters to people using services, insight into what would constitute good design for on-line services has been developed;
- A range of new data analytical tools were employed to generate new insights into the way people experience the Council's on-line services which has been used to continuously improve the programme;
- A user-testing programme has also been integral to the programme to test new on-line services before they are launched and after they have been launched;
- Research undertaken into the digital literacy of the Council's workforce revealed a very high percentage of staff using social media every day and almost all staff having a personal e mail address. This insight established the feasibility of developing a Staff Portal - providing an on-line access point for employees to receive information relevant to their employment; and
- An ICT Reference Group was established by the Democratic Services Committee. The Group trialled the new Modern.gov on-line committee system and identified what would need to be in place to move all Members to a digital channel so that Member services would be offered on a digital by default basis from May 2017 onwards.

(e) Workforce

- A baseline survey to establish the level of digital literacy was established and has informed early work to develop digital skills across the workforce;

- A series of digital learning opportunities were created for the Corporate Management Team to raise awareness of the technologies available and how they can be applied in a local government setting;
- A network of Union Learning Representatives was established to help champion the digital agenda and the Wales Union Learning Fund provided financial assistance to help sections of the workforce improve digital literacy;
- Digital literacy is now embedded in the essential skills work carried out by the Council;
- Digital Essential Skills funding has been accessed to make available a programme of training to the workforce with accreditation at Level 2; and
- A number of employment policies have been revised to ensure they are relevant to the development of the Council's digital agenda.

(f) Digital Inclusion

- The Council formally committed to the Digital Inclusion Charter;
- As part of the Charter, the Council has promoted the importance of digital inclusion to partner organisations and this is agreed as a priority in the recently published Well-being Plan of the Public Services Board;
- Free public wi-fi has been established in the civic buildings to help people overcome barriers related to network costs;
- A survey of the digital capability of the third sector partners has been completed and resources to help move the survey findings forward have been identified;
- Customer Services staff have been trained to help people to access the Council's on-line services (Digital Assist) and on-line options are promoted routinely; and

- Libraries continued to offer free wifi, provide tailored support for benefit claimants to help them maintain their claims on-line and also saw an increase in the use of e-magazines; e-audio and e-books.

Areas of more limited progress

11. Whilst overall the Council made substantial progress in implementing the Digital by Choice Strategy, progress in the following areas was more limited:

a) Demand Management

The Council's ICT Service developed a software application that enabled demand on services to be captured and analysed into value and preventable demand. The data would then help to identify unwanted demand on the Council and help to identify the steps that could be taken to design out or reduce that "preventable" demand. The software has been fully deployed into Customer Services. Using the data has enabled the Service to substantially reduce calls still being received from former Council tenants (who have been redirected to Tai Tarian Contact Centre): automate the transfer of calls to Council Tax; achieve "trusted partner" status with the Department for Work and Pensions to enable Blue Badge holders whose benefit circumstances are unchanged at the point of renewal to have their badges automatically renewed.

These changes have improved the service to the customer and reduced the overall cost of those services. Beyond the Customer Services Department, there has been little take up of the system. Understanding demand in detail offers a very important opportunity for the Council to both identify where further cost reductions should be targeted (especially in designing out preventable/failure demand) as well as opportunities to target earlier intervention and employ different service models;

b) Multi-agency hubs

The concept of having a range of agencies available in one location to meet the needs of people who required those services was initially successful at Pontardawe One Stop Shop.

However, as more services have been put on-line, virtually all of the customers visiting Pontardawe Hub have migrated to on-line services. Consequently, there was no business case to roll the service out across the county borough and face to face services at Pontardawe are being phased out;

c) Call handling strategy

This was not revised. It became apparent that the Council should now develop a contact policy, as compared with a call handling strategy, to reflect the wide range of ways in which people are now contacting the Council. This is an action that can be taken forward in the refreshed Strategy;

d) “Citizen account”

Such a development would enable people to have a personalised experience of accessing the range of services from the Council that they need with security proportionate to the sensitivity of the data being accessed. The business cases for establishing these accounts in England were largely developed on the basis of the high volume of citizens needing to access parking permits (large city authorities). The same business case was not immediately apparent locally. It is likely, given recent changes to regulations concerning e-billing for Council Tax, that such a business case does now exist and this will need to feature in the refreshed Strategy; and

e) E mail

Alternative arrangements for storing emails were put in place, however, alternatives to e mail, particularly for internal messaging have taken longer to introduce due to pressure of other work demands. The new unified communications technology will offer a range of alternatives to e mail. Realising the benefits of this new infrastructure will also be a feature of the updated Strategy.

Current Context and Case for Change

a) UK Government

There have been a number of parliamentary inquiries examining the impact and implications of the revolution in digital technologies taking place across the world. In ¹2016, responding to an inquiry into the digital skills base of the UK economy, the Government acknowledged the importance and challenges of keeping pace with the rapid changes that are continuing to take place. The Government also signalled the importance of upskilling the population to fill the estimated additional one million jobs that will be created in the digital economy by 2023, whilst also ensuring that all adults can participate and benefit from the outcomes that digital technologies are creating.

In 2017, the UK Government published the refreshed Digital Strategy. It has seven pillars – connectivity; digital skills and inclusion; making the UK the best place to start and grow a digital business; digital skills for all businesses; safe and secure cyberspace; digital government; and responsibly exploiting data.

b) Welsh Government

The Welsh Government's digital strategy for the public sector is set out in its Digital First Policy. Refreshed in 2017, the Welsh Government agrees that digital is vital to the economy and 90% of new jobs require digital skills in some form. The revised Strategy sets out the Welsh Government's intention to enable responsive, consistent and excellent public services through transformed digital delivery. The ambition is for better on-line services; more on-line services; increased take up of on-line services; better support for the digitally excluded; and unlocking savings.

c) Participation across NPT

Locally, there is a growing appetite for digital services. ²The Office for National Statistics in their 2017 household survey identified 84% of households in Wales now having access to the Internet – up from 52% in 2006. In Neath Port Talbot 93% of properties have access to

¹ House of Commons, Science and Technology Committee: Digital Skills Crisis: Government's Response to the Committee's Second Report of Session 2016-17

² Office for National Statistics - Internet Access Households and Individuals:2017

Superfast Broadband and at the time of writing, take up exceeded 50%. However, participation in digital services³ varies considerably across the population with people retired and dependent on state pension far less likely to be digitally active than younger adults.

Within Neath Port Talbot, digital inclusion rates were found to vary between 83% and 43% in the 2017 ONS survey. A survey undertaken by the Public Services Board in 2017 also highlights the need to build digital capability across the voluntary and community sector locally. However, the importance of the digital economy is beginning to feature prominently in a range of programmes, not least the City Region programme which reflects a clear understanding of the impact of the digital revolution and sets out the region's ambition to create world class digital infrastructure to support economic growth in the region.

d) Outlook

The Council has already begun to transform the way it is responding to these changing social, technological and policy changes. As set out in the earlier section of this report, considerable progress has been made to increase the range of services available on-line and to encourage good levels of participation in those services by residents. The economic outlook creates a further driver for digital transformation on a greater scale and at greater pace with the Council needing to find new ways to bridge the gap between the rising expectations of residents on the one hand, but lower financial settlements to respond to those demands on the other.

Over the period since the first Digital by Choice Strategy was approved, there have been further advancements in technology that have been considered in drawing up proposals for the next period. These include:

- The emergence of Cloud-based services at greater scale, offering different options for rapidly deploying emerging technologies and altering the market mix for future ICT delivery;
- The establishment of the Digital Competency Frameworks in education to underpin the delivery of the curriculum and develop

³ Welsh Government – Digital Inclusion Analysis Package 2011

stronger digital skills in young people;

- A considerable growth in on-line crime and the emergence of fake news leading to the need for a much greater emphasis on ensuring people can stay safe when on-line and organisations can effectively safeguard their systems and data;
- The development of data analytics, customer insight and behavioural change services creating new and different opportunities to re-shape existing services or create new services that can better respond to people's needs;
- The introduction of the General Data Protection Regulations which has increased the penalties that can be imposed where personal data is not properly handled and strengthened duties on organisations of all sizes and across all sectors to handle personal data responsibly; and
- The development of a range of technologies which create further scope for the automation of work – this includes the increased use of smart devices (Internet of things); more widespread use of drone technologies; application of robotics and artificial intelligence to administrative and professional tasks; voice, face and image recognition technologies; mixed reality technologies and the continued expansion of assistive and wearable technologies.

⁴Gartner, in forecasting technology trends that will be most significant in the next period, offer the following viewpoint:

- The rate of technological developments is outpacing the ability of most enterprises to keep up. It will be crucial to continuously review digital goals, update the existing technology base; experiment with new capabilities and continuously update skills to meet employee and customer expectations;
- Data centric approaches need to strike the right balance between tying devices and systems together to exploit big data potential benefits whilst minimising security risks, information verification headaches and citizen trust issues;

⁴ Top Strategic Predictions for 2018 and beyond: Pace yourself for sanity's sake

- Voice and visual search options need to be introduced to improve customer experience;
 - The integration of bots, Artificial Intelligence and other technologies could see a significant automation of some aspects of work;
 - Blockchain will become more prominent in digital programmes;
 - Fake news will continue to be problematic; and
 - Data insights and behavioural changes skills are needed to complement ICT skills and realise the full benefits of digital investments.
12. More broadly, the digital strategy will contribute to the Council's objectives to reduce its carbon footprint. Both in the way the ICT service is delivered (for example adopting low energy devices; and recycling redundant equipment) and in the way ICT can enable other services and functions to reduce their carbon footprint (for example, removing the need for physical travel through the use of on-line communications, including video conferencing);
13. It is accepted that investment in digital transformation is a strategic investment where the benefits are long term in nature. The Strategy outlined in this report envisages a further, significant shift in the operating model of the Council, responding to the changing expectations of residents, partners, and wider stakeholders. The anticipated benefits are set out in later sections. Taking all of this into account, it is clear that the refreshed Digital by Choice Strategy must move beyond channel shift and embrace the wider opportunities that now existing to provide a different type of response that is fit for the digital age we live in.
14. Thus, the Strategy will address:
- How digital technologies will help to transform the delivery of the Council's services and functions;
 - How the Council will exploit the potential of digital technologies to shape the county borough and enable economic growth; and

- How we do business internally within the Council.

Financial Appraisal

15. The Council is planning to make the following investments to support its digital ambition. The investment programme will need to be regularly reviewed to ensure it is fit for purpose:

Digital Spend Analysis :-

	<u>18/19</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>
	<u>£'s</u>	<u>£'s</u>	<u>£'s</u>	<u>£'s</u>
	<u>000's</u>	<u>000's</u>	<u>000's</u>	<u>000's</u>
ICT GROSS BUDGET (no FFP Savings or Pressures have been built in 20/21 onwards)	4,908	4,837	4,584	4,434
LAAP Expenditure re - ICT Reserve	462	409	583	81
CITY DEAL	1,000	1,000	1,000	1,000
Digital Skills Support Post	50	50	50	50
RDP funded post to cover Digital Inclusion - Grade 7 - 30Hrs	31	31		
TOTAL SPEND	6,451	6,327	6,217	5,565

NOTES

- 1 ICT Reserve will be exhausted by 21/22
- 2 RDP funding is not yet secure post 18/19
- 3 City Deal costs are based on a £25m budget across the region with an NPT allocation of 20% spread evenly across a five year period.
- 4 Digital Skills spend is assumed at £50k per annum but this may be a one off allocation made available during 18/19
- 5 Figures above include all known income but further grant/income opportunities will continue to be sought.

Workforce Impacts

16. The principal areas of impact for the Council's workforce arrangements are as follows:
17. Automation of work – the adoption of this strategy will mean that some jobs/parts of jobs will be automated. Consequently, as each element of the Strategy is implemented it will be vital that the Management of Change in Partnership Policy is fully embraced so that the jobs affected can be clearly identified and the appropriate steps taken to ensure employees and their trade unions are actively engaged throughout the change process.
18. Digital Exclusion – from earlier work, we know that digital literacy varies across the workforce with those on lower incomes or in higher age groups likely to have the lowest level of digital literacy. Implementation of this Strategy should positively impact on digital literacy enabling employees to access the opportunity to be considered for new digital roles but also in taking the benefits of participating in the wider digital economy.
19. Job Content – it is likely that the implementation of this Strategy will change some job roles and create new roles. The Council's Workforce Plan already recognises this and makes provision for creating a Digital Skills Strategy that should enable the Council to build a digitally capable workforce.

Equalities Impact Assessment

20. The Integrated Impact Assessment, which includes an equality impact assessment is attached at Appendix 2. The assessment clearly identifies that people are less likely to participate in the digital economy if they are older, on lower incomes or disabled/in poor health. There is no evidence to demonstrate that people with other protected characteristics are particularly affected. The digital inclusion work identified in the Strategy aims to reduce/eliminate digital exclusion and consequently there should be an overall positive impact on the Council's equality duties from adopting this Strategy.

21. The Council's obligations in relation to the Welsh Language Standards are embedded into the approach. The expectation is that new digital approaches will embrace a bi-lingual approach to the delivery of Council services and open up new opportunities through digital innovation for people to use and learn the Welsh language.

Legal Duties

22. This Strategy helps to discharge the extant duty to secure continuous improvement of the Council's functions and related duties which are set out in the Local Government (Wales) Measure 2009.
23. This Strategy also directly assists to deliver the well-being objectives set by the Council in the Corporate Plan 2018-2022.

Risk Management

24. There are a number of risks that this Strategy seeks to address:
25. Risk that people will be unable to participate in digital services due to digital exclusion – this Strategy makes a commitment to upskilling the Council's own workforce; upskill the resident population through the education and adult education sectors; facilitate the upskilling and capability of the third sector; and challenge other Public Services Board partners to directly address digital inclusion within their own corporate digital programmes;
26. Risk that attempts to hack into/disrupt Council services through cyber-attacks – this Strategy identifies the growing importance of the cyber-threat and makes an explicit commitment to protecting systems and data;
27. Risk that the county borough is not seen as an attractive investment proposition for businesses - this Strategy recognises the importance of the digital revolution that is taking place and clearly positions digital as a core element of the Council's approach to economic development;
28. Risk that the Council does not exploit the potential to change the way residents'/customers' needs are met through digital innovation at lower costs – this Strategy recognises the potential for further significant transformation in the way demand and need is responded

to both through the creation of a new data science capability and through the experimentation, development and deployment of a wider range of new and emerging technologies;

29. Risk that key partners do not keep pace with digital developments increasing threat to the sustainability of their organisation – this Strategy recognises that both the third and SME sectors will require support and encouragement to build capacity and capability to operate effectively within a digital world;

Consultation

30. The Cabinet is asked to approve a 12 week consultation on this Strategy. The consultation will seek feedback from a range of stakeholders: residents; employees; trade union representatives; third sector partners; Public Services Board partners; as well as wider stakeholders.
31. Consultation will be available on-line but it is also intended that there will be a series of workshops/focus groups to enable the content of the strategy to be discussed and debated.
32. The outcome of the consultation will be reported back to Cabinet in the autumn, together with a proposed, final Strategy.

Recommendations

33. That, subject to any amendments agreed at the meeting, the Cabinet authorises the Assistant Chief Executive and Chief Digital Officer to carry out public consultation on the draft Strategy – Smart and Connected – set out in Appendix 1 of this report for a period of 12 weeks.
34. That the Assistant Chief Executive and Chief Digital Officer be required to report back to the Cabinet summarising the outcome of the public consultation and proposing any amendments to the draft Strategy which are considered necessary to respond to consultation responses.

Reason for Proposed Decision

35. To ensure that the revised Digital Strategy for the Council is informed by stakeholder views.

Implementation of the Decision

36. The decision is proposed for implementation after the 3 day call in period.

Appendices

37. Appendix 1 – Smart and Connected – Digital Strategy 2018-2022
38. Appendix 2 – Integrated Impact Assessment

Background Documents

39. Digital By Choice, 2015

Officer Reporting:

40. Mrs Karen Jones, Assistant Chief Executive and Chief Digital Officer
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