NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CABINET

5 December 2018

Report of the Assistant Chief Executive and Chief Digital Officer

SMART AND CONNECTED – A REVISED DIGITAL STRATEGY

Matter for Decision

Wards Affected: All

SECTION A

Purpose of Report

1. To report the feedback received on the draft Digital Strategy – Smart and Connected – following a period of public consultation.

2. To present the final version of the Strategy to the Cabinet for approval.

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 was summarised in the report presented to the Cabinet in August 2018 when authority to consult on a revised Strategy was sought and secured - 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. A revised Strategy has been developed and seeks to extend the scope of the initial digital strategy considerably to focus on three strategic priorities:

    Priority 1 - transforming the way we deliver our functions/services and increasing use of the Council's on-line functions/services by residents;

    - **Priority 2 -** to contribute to the development of favourable conditions for economic growth in the county borough; and

    - **Priority 3 –** embracing a "digital first" approach to the way we support our workforce.

6. A public consultation process was initiated following the Cabinet meeting in August 2018. This report summarises the consultation responses received and presents a final draft of the Strategy for approval.

Current Context and Case for Change

(a) UnderlineUK Government

7. 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 [1]2016, 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.

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

(b) <u>Participation across NPT</u>

8. Locally, there is a growing appetite for digital services. [2]The 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 Superfast Broadband and at the time of writing, take up exceeded 50%. However, participation in digital services [3]varies considerably across the population with people retired and dependent on state pension far less likely to be digitally active than younger adults.

9. 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.

(c) <u>Outlook</u>

10. 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.

11. Over the period since the first Digital by Choice Strategy was approved, there have been further advancements in technology that

[2] Office for National Statistics - Internet Access Households and Individuals:2017
[3] Welsh Government – Digital Inclusion Analysis Package 2011

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 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.

12. [4]Gartner, 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;

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

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;

- 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.

13. 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;

14. 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.

15. Thus, the Strategy addresses:

- 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.

Summary of Consultation Responses

Consultation Methods

16. A range of methods were used to gather feedback on the direction of travel and associated priorities set out in the draft Strategy:

- Critical friend review by SOCITM (Society of IT Managers);

- Telephone conference with the Chief Digital Officer of Welsh Government;

- One to one meeting with ICT Liaison Officer for NPT schools;

- Face to face meetings with all staff in ICT and Customer Services;

- Discussions with the Corporate Management Team;

- Discussions with Directorate management teams;

- Member seminar;

- Face to face meetings with trade unions and through the Staff Council;

- On-line questionnaire promoted through social media and through the Council's various partnership networks;

- On-line questionnaire promoted to Staff through internal communication channels;

- On-line questionnaire promoted to local businesses through the Council's business networks;

- Individual meetings with PSB organisations; and

- Discussions in the Voluntary Sector Liaison Committee and through the Third Sector Digital Inclusion Steering Group.

Consultation Feedback

17. The main themes arising from consultation responses are summarised below:

(a) Workforce (118 responses)

- Staff said that they were proud to work in ICT/Customer Services and there was pride in the on-line services developed to date and in ICT generally;

- Staff expressed views that there are many other processes and systems that could be automated – they felt that a policy of digital by default should be the standard internally but there is still some resistance to this;

- Staff said that a wider cultural change is needed with the digital agenda being owned corporately and with adequate learning and development and communication in place to achieve the change;

- The need to prioritise ICT work programmes to focus on the things that make the biggest difference was identified – but to do this staff said that we need to upskill people to reduce preventable demand on ICT caused by users not being able to use the technology available to them;

- Data and the analysis of data needs to be given more priority – staff identified fragmented and disparate databases which are not joined together. They felt there

was significant scope to remove duplication whilst also making data accessible and susceptible to analysis;

- ICT staff wanted to have more time to see the "bigger picture" and how they can contribute to this; and

- Ensuring there is enough capacity to undertaken sufficient research and development was also considered important with a number of suggestions put forward that could improve service delivery but also help to reduce cost – apply machine learning to Welsh/English translation.

(b) Trade Unions

- Noted the estimated impacts upon the workforce;

- Understood and endorsed the need to extend work on the extension of the digital programme;

- Wanted and were given assurances around the need to support the workforce through the changes;

- Agreed there was a need for learning and development support;

- Agreed we need to ensure employment policies are digitally relevant; and

- Acknowledged that addressing digital literacy has benefits within and without the Council.

(c) SOCITM

- Direction of travel set out in the Strategy is in line with high performing councils;

- Opportunities to collaborate need to be carefully thought through to identify what to do ourselves and what to do with others;

- Add a fourth principle to support place: availability; equity of access; capability; sustainability;

- Expand the narrative to demonstrate more clearly the transformational potential of some of the proposed actions;

- Emphasise the importance of STEM for girls and starting in early years;

- Include adult education;

- Consider whether to refer to planning powers re new developments – full fibre/public wi-fi; and

- Reference sites given to inform project development once the Strategy has been finally signed off– Aylesbury Vale (data); Preston (supply chain); Data Mill North (open data); Cambridgeshire (digital hubs)

(d) Chief Digital Officer, Welsh Government

- Strategy in line with Welsh Government Policy;

- Agreed there is a need for a local government "bottom up" approach that dovetails with WG programmes;

- Encouraged to feed into task and finish work being led by Lee Waters AM;

- Discussed Welsh Language machine learning developments in WG and how this may help local authorities. Cardiff Council also developing a bilingual chat bot;

- WCCIS – mixed views about this. Felt that there are important lessons to learn from the way this programme has been delivered;

- Opportunities for collaboration around skills and training, leadership development, data science

(e) Elected Members (18 Members)

- Connectivity in communities seen as vital;

- Acceptance that we need to accelerate digital – there will be a reduced demand for face to face and telephone channels;

- The contribution a properly focused digital programme can make to the budget position recognised;

- Tackling digital exclusion seen as important;

- Not just about on-line transactions – use of technologies such as I beacons identified as necessary to development of tourism etc;

- Recognition of the important role played by the third sector;

- Impact on the Council's workforce recognised – need for us to be clear about what is reasonable in terms of the pace of change;

- Opportunity for advertising and sponsorship on information assets identified;

- Voice and face recognition seen as important trends – particularly for people who are excluded or who may have communication difficulties;

- Need for data to be more joined up was supported; and

- Need to ensure we address the risks as well as the opportunities – being able to access archived materials given as an example.

(f) Residents (100 respondents)

- 9 in 10 want a citizen account and would use it;

- 9 in 10 want services to be on line as they are more convenient;

- People also want services and information to be safe and accessible via mobile phone;

- 9 in 10 have used our on line services and were mostly satisfied – some scope to improve "clunky" elements;

- Some information on the council website is not up to date and there is scope to make people more aware of what is on offer. Apps requested;

- Renewing blue badges, births, deaths, marriage certificates, on-line forms for everything, apps, country park tickets, sales of merchandise, housing benefits and council tax, petition system, broadcasting of meetings, on-line forums, council meeting calendar, smart parking, parking tickets, school meals and trips, sending in evidence to enforcement functions - all listed as services people would like to see on-line;

- Support for making better use of data (some thought we would already be doing this) as long as it is safe and we do not sell people's data; and

- Importance of off-line services for those who cannot access on-line services mentioned.

(g) Public Services Board

- Variable sign up to the Digital Inclusion Charter;

- Organisations at different stages of their digital journeys;

- Acknowledged need to design digital services being aware of who is/isn't on-line;

- Job for the PSB to do to promote the importance of digital inclusion; and

- Learn and Share event to showcase current practice and identify areas for collaboration suggested.

(h) Third Sector

- Survey of organisations conducted in 2017 to identify how ready local third sector organisations are to adapt to a digital world;

- ICT infrastructure renewal identified as a priority for many;

- Funding for ICT infrastructure needs to be explored;

- Skills and training within voluntary sector organisations needs to be updated;

- Community Anchor Organisations acting as a safety net for those who need a lot of help to access on-line services but not necessarily funded to do this; and

- Support for a learning event to raise awareness and develop a collaborative approach.

(i) Management Teams/Corporate Management Group

- Agile Working is a key challenge but it must work for the Council;

- Awareness of infrastructure capability needs to be conveyed to all as it becomes available;

- Digital Place is multi-faceted and cross cutting. Not just the City Deal;

- Need to be able to tie savings into each initiative; Use a business case approach;

- Need to consider the wider role of the Education, Leisure and Lifelong Learning Directorate. Not just schools;

- Need to exploit the potential of the employee portal;

- Can we profile our Citizens in the same way Facebook and Google do?;

- Should some of the Themes cross Directorate boundaries?'

- Themes seem a good fit;

- Investment will be key;

- Workforce engagement is as important as workforce training;

- We must prove "Trust" in collecting data from citizens;

- Citizen Account could improve interaction with service users;

- Needs to be an iterative Strategy and one that can respond to change;

- Review existing budgets against planned spend to identify any shortfall;

- Produce a Benefits Case Study regarding the use of the Robot in HR;

- All saw the need to use data better; within service and across the Council;

- Infrastructure not the driver but key to delivery;

- All want more time to consider the draft with their staff before finalising their input to the delivery programme;

- All understood that workstreams and projects would need to be led by the Services but there was concern around capacity;

- Collaboration is still not high on the agenda;

- All are very positive about the strategy but there will need to be some real working examples before some will understand how to apply the thinking in their service areas;

- Infrastructure demonstrations/roadshows should be arranged for Staff; and

- This is a large Change Programme and will need significant support.

(j) Business Community (12 responses)

- Most respondents employed less than 50 people;

- Two thirds of respondents had a website;

- Two thirds stated their websites brought in new customers;

- Most of those who did not have a website stated the cost as the main reason for not having one;

- 80% said that broadband performance was good/very good but occasionally speed was slow and wifi availability was variable;

- 70% used social media for business purposes;

- Facebook and Twitter were most frequently used followed by LinkedIn and You Tube;

- Social media use was mainly targeted at promotion of goods and services;

- 90% felt they had a good level of competence in Microsoft Office products;

- 60% identified good performance in working remotely from the office;

- Half of those responding felt they managed ICT security well;

- Over half of those responding felt they could manage customer information better;

- 50% felt they managed their websites well rising to 60% who felt they managed their social media presence well;

- Only a third felt they used analytics well;

- Half felt they were able to exploit e-marketing methods;

- 60% were investing in digital training and 30% were investing in search optimisation;

- Digital marketing, ICT security, e-commerce and search engine optimisation were the topics that businesses were most likely to be seeking to develop further; and

- Time and cost were the most significant barriers to overcome for respondents.

Analysis and Conclusions

18. The need for the Council to extend its current digital strategy was endorsed by the feedback received. All stakeholder groups acknowledged the rapid changes taking place in society generally. It is of note that whilst people still quite rightly identified the need for offline services for those who are not participating in the digital economy, there is now a widespread acceptance and appetite for more on-line services and wider adoption of existing and emerging technologies.

19. For the workforce, the move to a digital first/digital by default policy has broad support. Interestingly, the workforce and trade unions were far more concerned that there was investment in effective change management than they were concerned about the ability to deploy the technologies. Corporate leadership, capacity, supported by training and extensive workforce engagement were commented upon by many staff and by managers and trade unions alike. Increasing digital literacy and competency was also seen by the ICT workforce as key to liberating capacity to concentrate on research, development and more rapid deployment of technology with frustration being expressed at the capacity currently used up by poor end user capability/resistance to change.

20. Partners are at various stages of implementing their own digital strategies. It was clear from discussions that organisations are at different stages of maturity in their digital journeys. This opens up opportunities for mutual learning and for collaboration. There is specific work being focused upon by the Public Services Board and the Third Sector to address digital exclusion and real willingness to work together to ensure the communities of Neath Port Talbot can benefit from the changes that are being rolled out.

21. For SMEs – in the private and voluntary sector – there are similar challenges being experienced. There were few identifying problems with connectivity. There is a mixed picture of digital take up but similar challenges of time and money to be overcome. Organisations are beginning to recognise the importance of upskilling too, with digital marketing, search optimisation, social media and customer facing applications all being areas where organisations are seeking support. It should be noted that there was a small response from the business community so further research may be beneficial as part of the delivery programme.

22. In terms of where the direction of travel set out in the Strategy fits with what might be regarded as best practice, the SOCITM external review confirmed the Strategy is in line with what leading councils are now doing and the Chief Digital Officer confirmed that the Strategy would be in alignment with Welsh Government Policy.

23. Finally, members of the public who took the time to respond offered comments that encouraged faster development of more on-line services as well as endorsement for making more effective use of data to meet the needs of the community. This on the understanding that there is a need to keep personal data secure and to ensure data is not exploited for commercial gain. The ability to access off-line services is also seen to still be important for those who are not yet on-line.

24. Therefore, as a result of the consultation responses received, minor changes have been made to the text of the draft Strategy as there was broad endorsement of what is set out therein. The detail of the responses will now inform the construction of the delivery plan, in particular, to ensure the arrangements to support the management of change take full account of the scale of the ambition and the need for clear, corporate leadership backed up by a strong workforce engagement and development programme. The delivery

programme itself will be developed through ongoing collaboration with stakeholders so that there is collective ownership of the delivery programme priorities and the investment/commitment needed to support its implementation. Cases for new investment will be underpinned by business cases.

25. Further advice from SOCITM has been sought to enable the benefits of the programme to be evidenced.

Financial Appraisal

26. 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 :-

	18/19 £'s 000's	19/20 £'s 000's	20/21 £'s 000's	21/22 £'s 000's
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

27. The principal areas of impact for the Council's workforce arrangements are as follows:

28. 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.

29. 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.

30. 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.

31. The consultation process underlined the need for adequate investment in the management of change. Leadership, workforce engagement and communication were identified by many internal stakeholders as key to the delivery of the Strategy.

Equalities Impact Assessment

32. 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.

33. 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

34. 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.

35. This Strategy also directly assists to deliver the well-being objectives set by the Council in the Corporate Plan 2018-2022.

Risk Management

36. There are a number of risks that this Strategy seeks to address:

37. 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;

38. 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;

39. 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;

40. 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;

41. 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

42. The Cabinet approved a 12 week public consultation exercise in August 2018. The consultation ran until 6th December 2018. Responses received as at 30th November are summarised in this report. Additional responses received up to the 6th December will be reported orally at committee.

Recommendations

43. That, subject to any amendments agreed at the meeting, the Cabinet approves the revised Strategy - Smart and Connected – set out in Appendix 1 of this report and commends the Strategy to Council for adoption.

44. That the Assistant Chief Executive and Chief Digital Officer be authorised to take the steps necessary within approved budget guidelines to develop and implement a delivery programme to realise the objectives set out in the Strategy.

Reason for Proposed Decision

45. To ensure that the Council's Digital Strategy is fit for purpose.

Implementation of the Decision

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

Appendices

47. Appendix 1 – Smart and Connected – Digital Strategy 2018-2022

48. Appendix 2 – Integrated Impact Assessment

Background Documents

49. Digital By Choice, 2015

50. Smart and Connected – report to Cabinet, August 2018

Officer Reporting:

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