

CABINET MEETING: 12 JULY 2018

CARDIFF COUNCIL'S DIGITAL AMBITION

**FINANCE, MODERNISATION AND PERFORMANCE (COUNCILLOR
CHRISTOPHER WEAVER)**

AGENDA ITEM: 6

Reason for this Report

1. To note the progress that has been made to-date on the Council's Digital agenda;
2. To approve the Council's proposed new Digital Strategy, as included at Appendix 1; and
3. To approve the overall framework and governance for delivering the Digital Strategy as set out in this report, and note the ongoing development of action plans to support the implementation of the Council's digital agenda.

Background

4. It is widely acknowledged that embracing the full potential of digital technologies and ways of working is now a necessity for any organisation to be successful.
5. This is recognised within Capital Ambition, which makes a commitment to *"adopting a 'Digital First' approach, making the best use of new technologies to run our services, particularly our more transactional services, as efficiently and effectively as possible, and providing digital access which is indistinguishable from that available to citizens in every other aspect of their lives"*.
6. The Delivering Capital Ambition report, approved by Cabinet in December 2017, expands on this commitment, stating that "digital technologies have successfully delivered efficiencies" in the Council, while acknowledging that the work done to that date represented "only a partial adoption of technology and new ways of working" and that "too few [Council] services have achieved thoroughgoing end-to-end digitisation". The Delivering Capital Ambition report stated that "a focus will also be placed on streamlining and automating business processes".
7. This approach will be especially important in light of the substantial savings targets the Council has for the next three years.

8. This report provides an update on the work that was in progress at the time of Delivering Capital Ambition report, work that has started since, and includes the proposed new Digital Strategy for Cabinet's consideration and approval. Taken as whole this report sets out the framework for the Council's approach to Digital and the delivery of the new strategy. The appointment of the Chief Digital Officer has accelerated the development of this work and further detailed action plans are being finalised for Cabinet's consideration in the autumn.
9. While the Council has a key role in leading the wider digital agenda across the city, the initial priority is to set out how the Council will use digital technologies and new ways of working to improve its interactions with citizens and the services it provides, while making its own operations as efficient as possible. Therefore, this report and the Digital Strategy both focus primarily on these topics.
10. Cardiff is projected to be the fastest growing major British city outside London over the next 20 years. In fact, it is set to grow more than every other part of Wales combined. More people will mean more houses, more traffic and more waste and will place significant additional demand pressures on public services and city infrastructures. Developing the city's technology infrastructure and an associated 'smart cities' agenda can help the Council, public and private sector partners and local communities, to manage the impact of population growth in a more sustainable way. A specific report will follow in the autumn outlining the Council's approach to the development of the "Smart Cities" agenda. This will focus on infrastructure, current and on-going projects in this area and future ambitions.

The Operating Context

11. The Council continues to face significant financial challenges, which, allied to rapidly increasing demand for Council services, has resulted in the Council projecting a £91m budget gap over the next 3 years. This comes on top of £145m in savings we have found over the past five years.
12. The budget challenges the Council faces mean staying the same is not an option, and the way services are delivered will need to change, as the Council becomes a more a streamlined, agile, customer-focused organisation.
13. Embracing the Digital agenda in a coherent and agile way will therefore be critical to meeting the challenges that lie ahead. New ways of working will be used to deliver services differently, and new technologies will be deployed to meet the needs of our residents and service users 'downstream', thereby managing demand and achieving better outcomes.
14. Furthermore, through the Council's Service Review programme, there will be a strong focus on making end-to-end processes as efficient and customer-focused as possible. Wherever possible, the Council will look to automate

processes to ensure the best use of scarce resources, and a consistent, accessible approach for our customers.

15. There are pockets of good practice across the public sector in taking forward the Digital Agenda. The Government Digital Service has set new standards for online service design and has steadily improved the accessibility to UK central government services by employing a relentlessly customer-focused design model. Additionally, several local authorities in the UK have made strides in specific areas of their business, including delivering at pace using agile project techniques, automated customer assistance, user-centred design, and the emerging use of predictive analytics techniques. However, even in these areas of good practice, significant challenges remain, and no one local authority has gained exemplar status. Furthermore, the local context in each council area means that customised solutions are often needed. Therefore, the Council needs to articulate a vision for its own digital future that takes transferrable best practice and incorporates it within solutions that work best for Cardiff.

The Council's New Digital Strategy

16. The Digital Strategy provides a focused account of what Digital will mean for the Council and how this will be taken forward by all parts of the organisation, with a clear emphasis on designing digital services that deliver the best outcomes for customers. The Council's existing digital strategy was signed off by Cabinet in May 2016. While there are elements of this strategy that are still applicable and will be taken forward, the pace of change means it would not be fit for the purpose of delivering the digital agenda set out in Capital Ambition.
17. The overarching vision of the new Digital Strategy is for Cardiff to be *“a connected city in which new technologies empower citizens to get the best from services that matter to them”*.
18. Underpinning this vision are a set of key principles. These principles ensure that 'Digital' is understood as an approach that the entire organisation needs to embrace in order to meet the Council's current and future challenges. These principles are set out in figure 1 below.

Principle	Description
<p style="text-align: center;">The customer experience comes first</p>	<ul style="list-style-type: none"> • Delivering exceptional experience to our citizens and staff remains our primary focus. • No Digital project will ever have a negative impact on the customer experience. Whether we are delivering changes to customer-facing processes or behind-the-scenes we will ensure that the current standard of customer experience is maintained or, wherever possible, improved.

Principle	Description
	<ul style="list-style-type: none"> We will ensure that the same range of services and customer experience is available to our customers, regardless of the channel by which they contact us.
<p>Digital interactions will become the first choice for our customers</p>	<ul style="list-style-type: none"> We will deliver simple, efficient and attractive Digital services that customers will choose to use instead of the traditional contact channels. We refer to this as making our services ‘Digital First’. Over time we will aim to make appropriate services ‘Digital by Default’, meaning that they will primarily be available digitally. We recognise that not every citizen will be able to use digital services so we will always ensure that there is an accessible route for them to interact with us. However, this will become the exception rather than the norm. We will also work to improve levels of digital inclusion across Cardiff.
<p>Modern, fit-for-purpose technology will be used to ensure efficiency</p>	<ul style="list-style-type: none"> We aim to use Cloud-based solutions wherever we can in order to reduce reliance on physical hardware that must be maintained, repaired and replaced. We will ensure that our technology platforms can be rapidly scaled up or down to ensure that the associated costs directly relate to service demand. We should only pay for services that we use. We will seek to make the most of emerging technologies; delivering enhanced customer service through the use of smart devices, virtual assistants and social media platforms
<p>Technology solutions will be re-used, purchased and developed responsibly</p>	<ul style="list-style-type: none"> Our default approach to the procurement of technology solutions is to re-use before we buy, and to buy before we develop something new. <ul style="list-style-type: none"> We will re-use existing technology where it is fit-for-purpose If our existing technology is not fit-for-purpose we will seek to procure an existing

Principle	Description
	<p>solution that is the best fit for our requirements</p> <ul style="list-style-type: none"> ○ If no solution exists that can fulfil our requirements we will seek to develop a solution <ul style="list-style-type: none"> ● When buying or developing a technology solution we will ensure that we identify the best fit option to meet our current and future requirements, and to provide value for money. ● We will ensure that existing technology platforms are fully supported, that solutions are developed to a corporate standard, and that our ICT Service team has the required training, knowledge and support to ensure ongoing maintenance and support can be delivered.
<p>Digital services will support collaborative working to improve outcomes for our customers</p>	<ul style="list-style-type: none"> ● Digital solutions will be implemented across service areas and external suppliers to improve collaborative working. The adoption of Cloud-based solutions will increase accessibility and agility. ● Cardiff Council will prioritise analysis of the service data that we gather so that we can make better decisions, handle and forecast customer demand, and improve collaborative working. ● Where appropriate we will share data across areas in support of improved service delivery and to improve outcomes for citizens. Security controls will be proportionate, to protect data and services, but not impede user accessibility.
<p>Digital services will be continually monitored, assessed and improved</p>	<ul style="list-style-type: none"> ● We will always test Digital services thoroughly before releasing them for general use. This will include piloting them to assess the customer experience and completing detailed technical testing to check that they fulfil requirements. ● Digital services will be monitored to assess the user experience and levels of engagement. We will use the data that we gather to make continual improvements to services.

Principle	Description
	<ul style="list-style-type: none"> We will document the lessons we have learn as we expand the number of Digital services we offer and will seek advice and guidance from organisations that have experience in Digital transformation to avoid reinventing the wheel or making the same mistakes that they have made.

Figure 1: Digital Strategy Principles

19. The strategy is a focused document that provides a strategic statement of intent for the organisation. A series of action plans are being developed that will underpin the Digital Strategy; these will ensure the strategy is effectively delivered, achieving tangible outcomes for the Council and the city. The action plans, which will be finalised in the autumn, will be structured around the Connected Cardiff vision, with specific plans for each of its components; for example, ‘connected citizens’.
20. Once the action plans are in place, the Cabinet Member for Finance, Modernisation and Performance will have oversight of the delivery of the programme. The Cabinet will receive regular updates on the progress being made to deliver the plans, including details of when milestones will be met, any issues that may affect delivery, and opportunities for new improvements and initiatives.

The Digital First Programme and Governance Arrangements

21. The Council’s Digital Vision is far-reaching and will ultimately run through all the work the organisation does, including in partnership with others. As such, the achievement of the Digital Strategy and the forthcoming action plan will require a long-term approach, which tackles issues and rolls out technology in a way that is sequenced to capitalise on opportunities and make the best use of available resources.
22. To oversee operational delivery a Digital Cardiff Board has been established as part of the Capital Ambition Delivery Programme governance arrangements, thus ensuring that the Council’s Cabinet and Senior Management Team have overall accountability for delivery of the Digital agenda.
23. The Digital Cardiff Board provides corporate oversight over the progress of digital initiatives that are both corporate and service-specific, thus ensuring a coherent approach to digital, enabling synergies between similar types of activity to be properly exploited, and holding officers to account for the progress of projects while offering challenge or support where required.

24. The appointment of the Chief Digital Officer will provide strategic leadership to the digital agenda, and the governance structures described above will drive through the key aspects of the Digital First programme.
25. However, for Digital to be successfully embedded in the organisation, all services will have to recognise and own the opportunities a Digital approach and new technologies offer for their lines of business. This will also require a continuing development of the organisation's culture, and a recognition of skills gaps, to ensure the Council has the capacity to respond to the challenges ahead and that staff have the capability to bring digital into their work. Ultimately, delivering the digital ambition set out in this report must be the responsibility of all managers and members of staff leading, over time, to digital technologies and ways of working being seen as 'business-as-usual' in the Council.

The Digital First Programme – Current Projects

26. The Council is building on a strong foundation of progress, particularly in relation to managing the interface with citizens via digital platforms, including:
 - 69.4% of parking permits are now applied for online;
 - 75.7% of recycling bags and waste caddies are requested online;
 - 90% of school applications are made online (an increase of 20%);
 - 150% increase (from 32,000 to 78,000) in Twitter followers over the last two years, and the establishment of a presence on Facebook which has grown to over 11,000 followers.
27. Furthermore, the Council's website continues to develop and is consistently recognised as being of the highest quality. Most recently, the website received a Four Star rating from SOCITM for accessibility and usage, a rating that only 9% of local authority websites in the UK achieved, and which no other council website in Wales achieved.
28. Over the last two years, the Council has proactively increased its social media presence, communicating directly with residents and service users through platforms such as Facebook and Twitter, enabling real-time communication in a way that customers are used to from other aspects of their lives. Industry analysis suggests that Cardiff Council is now the best performing Council in Wales in terms of social media engagement across a range of measures.
29. Additionally, digital technologies have successfully delivered efficiencies, both in staff time and accommodation costs. For example, through the implementation of mobile working and scheduling, agile working and process redesign, front-line staff in housing maintenance (approximately 250 staff) and social care (approximately 650 staff) are able to spend more time with service users, with savings released in office accommodation.
30. There are now a range of projects underway that will help build on this progress, with more projects due to commence throughout the year. The list of projects that follows is not exhaustive, but shows those projects that are

enabled by corporate resource and driven through the Digital Cardiff Board. Taken together these projects form a coherent package of work that includes activity that focuses on both internal and external-facing issues, utilises both new technology and ways of working, and which will help continue to develop the digital culture of the Council. Further details of these projects can be found in Appendix 2.

Project Name	High-level Summary
Hybrid Mail	A process that lets users securely send mail from their computers to a distribution centre where it is packaged and made ready for distribution using the latest technology, which can realise significant cost reduction.
SharePoint	An Electronic Document and Records Management System (EDRMS) that will embed information governance into everyday working practices, by changing existing business process around how information is used, stored and made available.
Skype for Business	This allows users to connect with each other in a variety of ways, including through instant messaging, and voice and video calls.
Microsoft Office 365	Microsoft Office 365 is a cloud-based packages that includes services or products such as the traditional Microsoft Office suite of applications, Skype for Business, Exchange Online cloud hosted email, and online storage.
Cardiff GOV Mobile app	A mobile app that has been developed following requests from a number of service areas, this will allow the Council's customers to perform quick transactional services via their smartphones. The app is not a replacement for the Council's highly-regarded website, but instead mirrors some of the transactional functions already available on the website through a new channel.
The Virtual Assistant Citizen Bot	Through the use of artificial intelligence, the Virtual Assistant project will deliver a conversational, humanised 'ChatBot', initially to handle enquiries regarding waste. The Citizen Bot will be able to provide a simple, welcoming access channel that can be reused across many platforms, for example online, via the telephone, and even through smart units like the Amazon Echo.
Electronic Signatures	This project will implement the use of electronic and digital signatures, initially in Procurement, Legal and HR, with a view to extending through the authority, to realise efficiencies and improve practice.
Fleet Management Service	A specialist system for use by the Centralised Transport Service that will improve cost control, utilisation of resources and deliver a range of additional benefits.

Waste Service Improvements	This work includes the replacement of an obsolete IT system and implementation of in-cab technology to enable better use of resources and better visibility of issues experienced by customers.
Information Management and Data Analytics	This project will improve Information Management Systems and Data Analytics, both improving the quality of data and the Council's ability to effectively analyse its data.

Figure 2: Digital projects summary

Digital by Default and Digital Exclusion

31. The Council's initial ambition is 'Digital First: using current and future technologies as the preferred way of running the organisation's business for staff and as the access route to services for customers.' In effect, a Digital First approach is one that maintains much of the same non-digital access in parallel but harnesses the improved user experience of digital to encourage increasing numbers of staff and customers to use these methods. Over the life of the programme, the Council will seek to enact a shift from 'Digital First' to 'Digital by Default.'
32. A 'Digital by Default' approach significantly reduces the reliance on, and provision of, non-digital ways of working. Amazon is often regarded as using an archetypal 'Digital by Default' model: by utilising an intuitive, customer-friendly digital platform, customers are able to self-serve effectively, while the organisation directs contact through the channels that are best for both parties. Despite non-digital contact between Amazon and its customers being a rarity, the company still regularly ranks among the highest levels of customer satisfaction in the UK.
33. Clearly, as a civic and community leader, and a provider of critical front-line services, the Council has different considerations to a marketplace-provider such as Amazon. However, the comparison still has validity because of the familiarity the Council's residents and service users have with this and similar organisations – in essence, this type and standard of interaction is what the Council's customers are increasingly expecting.
34. In pursuing a 'Digital by Default' model the Council will need to ensure there are robust mechanisms in place to assist those members of the community who are digitally excluded. Digital exclusion is defined as 'the inability to access online products or services or to use simple forms of digital technology'. Although it can be correlated to particular demographic groups, Cardiff's digitally excluded population has a wide range of constituents. It is also worth noting that Cardiff has been assessed as generally having low levels of digital exclusion.¹

¹ <http://heatmap.thetechpartnership.com/?area=Cardiff&metric=total>

35. The Council already has a range of provision in place to aid residents who are less comfortable using digital means to access services, principally through the widespread availability of Community Hubs and the services therein. Continuing to work with the digitally excluded population of Cardiff as the Digital First programme progresses will be vital to ensuring everyone who needs the Council's services is able to access them.
36. However, there is also a significant interdependency with the Inclusive Growth agenda, as it is clear that those residents who are digitally excluded will face increasing financial disadvantages as the economy becomes more digitally-focused, even for those working in non-tech industries. Therefore, the Council will also work with partners to develop effective skills-based interventions to address this issue.
37. As an organisation, the expectation is that the Council will ultimately adopt a Digital by Default approach across its entire way of working. A current example of this is the Hybrid Mail approach: once adopted and fully embedded across the organisation, the option to use current methods of mail creation will be removed.
38. A Digital by Default approach will clearly have learning and development implications, and Directorates' workforce planning activity will need reflect this, in order to ensure the entire workforce feels confident using and is able to take advantage of the opportunities offered by new digital technologies.

The Council's Digital Agenda and Cardiff's development as a 'Smart City'

39. The Delivering Capital Ambition report recognises "the need to reshape the Council's core office estate". There will be strong interdependencies between the potential reconfiguration of the Council's main buildings and digital ways of working. Not only will Digital be key to enabling better use of the Council's buildings, but, as has been shown through the housing maintenance and social services examples, better use of the Council's assets is a key catalyst to the adoption of new ways of working.
40. As well as having a key role in enabling change in the Council's use of assets, the role of digital technologies will also be considered in relation to schools, and the infrastructure needed to ensure Cardiff's pupils have the opportunities to experience and learn using contemporary technologies.
41. Although Digital transformation within the organisation is clearly a priority, it is also incumbent on the Council to consider the development of the City's digital capacity. Doing this will not only have intrinsic social, economic and, potentially, environmental benefits for Cardiff's residents, it will also ensure the Council's customers are better able to receive services digitally.
42. Cardiff starts from a strong position, with some of the highest connectivity rates in the UK; current analysis suggests that over 98% of Cardiff's households can access connection speeds of 30 Mbps or more, which is the highest among all UK Core Cities. This strong foundation needs to be built upon, as there is a

clear correlation between the capacity of a city's digital infrastructure and the transformational opportunities available to it.

43. This is especially true in relation to the Smart Cities agenda. The presence of a strong tech sector in Cardiff and the surrounding region, a highly-educated resident population and the current digital capacity mean that the city is ideally placed to develop an 'Internet of Things' that will allow better service delivery and enable commercial and civic opportunities. In this connection, the Council is working with partners to secure a significant improvement in the city's technology infrastructure, including the development of ultrafast broadband and 5G coverage. Critically, the Chief Digital Officer is also supporting the Cabinet's commitment to join up disparate smart city initiatives across the city. A report on the Council's approach to the Smart Cities agenda will be brought forward later in the year, and this will form an essential element of future bids to the UK and Welsh Governments for future capital investment into this infrastructure.
44. The Council will also need to work with partners to offer effective digital solutions to common challenges. The governance arrangements for the Capital Ambition Delivery Programme ensure partners are included to deliver shared solutions, and it is through this structure that common digital challenges can also be addressed.
45. Furthermore, as the Council's digital capacity is consolidated and enhanced, the Council will look to serve as a delivery partner of choice for a range of related functions.

Reason for Recommendations

46. To ensure the Council has a coherent, effective digital strategy and the necessary framework and governance to drive its implementation.

Financial Implications

47. Projects within the digital programme will need to be the subject of robust individual business cases. These should identify initial investment requirements as well as any ongoing commitments and potential savings. As well as delivering modernisation and service improvement, making greater use of technology is an important opportunity to identify budget savings in support of the extremely challenging medium term financial position.

Legal Implications

48. In order to implement the digital strategy, it is understood that new digital processes will be built and new digital projects designed. Legal advice should be sought and taken into account as the new processes and projects are developed. In developing the new digital processes and projects regard should also be had to the carrying out of appropriate consultation, the Authority's statutory equality duty and obligations in respect of the Welsh language.

49. The strategy sets out actions that the Authority 'will' take. The adoption of the strategy will therefore serve to create an expectation that the matters set out will be delivered. Accordingly, in adopting the strategy the Authority should be satisfied that it can deliver the matters referred to.

Equality duty

50. In considering this matter the decision maker must have regard to the Council's duties under the Equality Act 2010. Pursuant to these legal duties Councils must, in making decisions, have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are: (a) Age, (b) Gender reassignment, (c) Sex, (d) Race – including ethnic or national origin, colour or nationality, (e) Disability, (f) Pregnancy and maternity, (g) Marriage and civil partnership, (h) Sexual orientation and (i) Religion or belief – including lack of belief.
51. The decision maker should also have regard when making its decision to the Council's wider obligations under the Social Services and Wellbeing (Wales) Act 2014 and The Wellbeing of Future Generations (Wales) Act 2015. In brief, both acts make provision with regards promoting / improving wellbeing.

Generic advice

52. All decisions taken by or on behalf of the Authority must; be within the legal powers of the Authority and of the body or person exercising powers on behalf of the Authority, Comply with any procedural requirement imposed by law, be undertaken in accordance with procedural requirements imposed by the Authority, be fully and properly informed, be properly motivated (i.e. for an appropriate, good and relevant reason), be taken having regard to the Authority's fiduciary duty to its tax payers (this general duty requires the Authority to act prudently and in good faith in the interests of those to whom the duty is owed), and otherwise be reasonable and proper in all the circumstances.

HR Implications

53. The Digital Strategy compliments the Council's 2018-2021 Workforce Strategy, which references both digital skills and agile working. There will be a close working relationship between the Chief Digital Officer and the Chief HR Officer to ensure that there is a joined up approach to these areas from a technology, skills and culture point of view.

RECOMMENDATIONS

Cabinet is recommended to:

1. To note the progress that has been made to-date on the Council's Digital agenda;

2. To approve the Council’s proposed new Digital Strategy, as included at Appendix 1; and
3. To approve the overall framework and governance for delivering the Digital Strategy as set out in this report, and note the ongoing development of action plans to support the implementation of the Council’s digital agenda.

SENIOR RESPONSIBLE OFFICER	CHRISTINE SALTER CORPORATE DIRECTOR RESOURCES
	6 July 2018

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g appendices are attached:

- Appendix 1 – Cardiff Council Digital Strategy
- Appendix 2 - Digital First Programme – Project Updates