

Digital Strategy Review – Merthyr Tydfil County Borough Council

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Report summary

Report summary

Exhibit 1: report summary

The exhibit below summarises the reason we undertook this audit, our key findings and recommendations for the Council.

Why a strategic approach to digital is important

- 1 Digital technology is key to delivering a wide range of council services in a more economic, efficient and effective way, is also an important means of councils delivering their wellbeing objectives and carrying out sustainable development.
- 2 Having a clearly articulated strategic approach to digital can bring several benefits such as:
 - establishing a common vision for use of digital and the intended outcomes for local communities linked to the council's strategic objectives;
 - helping to ensure that councils' use of digital technology is aligned with their key strategic objectives and other plans and strategies and is informed by a good understanding of current and future trends;
 - reducing the risk of duplication both within councils and with partners;
 - consideration of resourcing digital over the short, medium and longer term together; and
 - providing a framework against which to monitoring progress over the short, long and medium term.

The focus of our audit

- 3 We looked at the extent to which the Council's strategic approach to digital has been developed in accordance with the sustainable development principle and that it will help to secure value for money in the use of the Council's resources.

Our key findings

- 4 We found that there are weaknesses in the Council's strategic approach to digital and it does not have an approved digital strategy. The Council is unable to demonstrate that its planning is informed by a wide range of evidence sources, relevant considerations, and the involvement of stakeholders. The Council has not considered the resource implications of its approach to digital over the short and longer term and has not set out how it will measure and evaluate progress towards implementing it.

Our recommendation for the Council

- R1 The Council needs to develop its strategic approach to digital, to act in accordance with the sustainable development principle in the process of designing and delivering it, and to develop monitoring and evaluation arrangements for it.

Detailed report

What we looked at and why – the scope of this audit

- 1 We reviewed the Council's strategic approach to digital, and specifically the extent to which this has been developed in accordance with the sustainable development principle; and that it will help to secure value for money in the use of the Council's resources.
- 2 Our findings are based on document reviews and interviews with a sample of Cabinet Members and senior officers. The evidence we have used to inform our findings is limited to these sources.
- 3 We set out to answer the question **'In developing its digital strategy has the Council acted in accordance with the sustainable development principle and put in place proper arrangements to secure value for money in the use of its resources?'** We did this by exploring the following questions:
 - Is the Council's digital strategy informed by a good understanding of current and future trends?
 - Does the Council have a clear vision of what it wants to achieve through the use of digital technology?
 - Is the Council working effectively with the right people and partners to design and deliver its digital strategy?
 - Has the Council resourced delivery of its digital strategy so it can deliver long-term/preventative benefits?
 - Is the Council monitoring and reviewing progress?
 - Is the Council learning lessons from how it works?
- 4 **Appendix 1** sets out the detailed questions we set out to answer along with the audit criteria we used to arrive at our findings.

Why we undertook this audit

- 5 This audit was undertaken to help fulfil the Auditor General's duties under section 17 of the Public Audit (Wales) Act 2004 (the 2004 Act) and section 15 of the Well-being of Future Generations (Wales) Act 2015.
- 6 We sought to:
 - provide assurance that councils' digital strategies will help to deliver well-being objectives in a way that secures value for money in the use of resources;
 - provide assurance that councils are acting in accordance with the sustainable development principle in the design of their digital strategies;
 - explain how councils are using/planning to use digital technology to meet people's needs and deliver better outcomes; and

- inspire and empower councils and other public sector bodies by identifying and sharing examples of notable practice/approaches where relevant.

The Council's digital strategy

- 7 The Council has never had a digital strategy. It is currently in the early stages of developing one.

What we found: the Council has weaknesses in its strategic approach to digital and has not demonstrated that its forthcoming digital strategy will be developed in accordance with the sustainable development principle

The Council has not drawn on a wide range of evidence sources to help inform its strategic approach to digital

- 8 The Council recognises that it needs to develop its strategic approach to digital and has started work on its first digital strategy. As part of its initial work to develop a digital strategy, the Council recently held a staff workshop about digital. This was to help it to try and capture what was going on in service areas digitally and to understand matters such as future plans. However, aside from that, and as it stands, the development of its strategic approach to digital has not been well informed by information relating to:
- service sustainability/resilience and resourcing challenges;
 - the needs of citizens and communities;
 - the underlying causes of current demand/issues to be addressed; and
 - analysis of future trends and how they might impact, including, for example, social, economic, political, environmental, cultural or technological.

It is important that the Council's developing strategic approach to digital is informed by a wide evidence base to identify actions that are likely to be most effective. This should include how it could address the root causes of problems. It should use that evidence base to inform decisions around its use of digital technology that seek to balance the need to meet short and longer-term objectives.

The Council does not have a clear and widely understood vision for its approach to digital

- 9 The Council has a 'to be statement' in place, dating from 2020-21, that sets out where it would like to get to in respect of digital. However, it was not apparent from our fieldwork that this is a clear and widely understood vision. Also dating from 2020-21, the Council's Recovery, Transformation and Improvement (RTI) Plan took forward digital related actions as part of its digital programme. But the Council are still to develop a digital strategy, and there is not a wide and common understanding amongst members and officers of what the Council is trying to achieve through digital. The Council does not have a senior manager who has digital as part of their remit to help drive forward the agenda with sufficient profile and deliver effective leadership. Once the Council has a clear vision for digital and has identified the outcomes it is seeking to achieve, it will be important for the Council to clearly communicate this across the organisation, including elected members as well as the wider public and partners, to ensure there is a wide and common understanding of what the Council is trying to achieve.
- 10 The Council hasn't determined how its developing strategic approach to digital will impact on the other objectives it is trying to achieve. There is little evidence of alignment between digital and other plans and strategies of the Council. The Council also hasn't considered how its approach to digital will align with the national well-being goals or the well-being objectives of other public sector bodies. Aligning its developing strategic approach to digital in these ways would reduce the risk of duplication and help to identify opportunities to deliver multiple benefits.

The Council does not have a specific plan to involve people and partners in designing and developing its digital strategy

- 11 It is not evident that the Council is effectively engaging with the right people and partners to design and develop its digital strategy. We understand that the Council intends to draw on previous consultations it carried out for developing its Corporate Plan and setting its budget. However, there are no specific plans to involve service users in the process of designing and developing its digital strategy. Those prior consultations did not ask specific questions about digital. This would mean that the Council would have provided limited opportunities for service users to influence the design and delivery of its strategic approach to digital. The Council would risk not effectively involving the diversity of the population affected by its strategic approach to digital. Not involving citizens in developing the Council's strategic approach, or the delivery of it, risks designing approaches that do not meet citizens' needs and therefore do not secure value for money.
- 12 The Council does work with partners on a number of digital initiatives, but it has not identified which potential partners it could work with in developing and delivering its strategic approach to digital. Mapping out who and how it could work with partners would help the Council have assurance that it has identified all appropriate opportunities for partnership working. It could also help identify opportunities to improve value for money in the delivery of its digital strategy. There may be

efficiencies that the Council can achieve through collaboration, such as additional joint procurement, building on existing collaborative arrangements. Collaborative procurement can enable partners to pool their resources and leverage their collective buying power to achieve better deals from suppliers. Monitoring the effectiveness of any partnership arrangements the Council enters into will also be an important part of arrangements for the Council to assure itself that it is securing value for money.

The Council has not determined the resource implications of delivering its forthcoming digital strategy

- 13 The Council has not set aside funding for its developing strategic approach to digital, for example in its medium-term financial plan. The Council will need to do this in order to help it to understand the short and longer-term implications of its strategic approach to digital and to help it manage the costs.
- 14 As a result of not currently having a strategic approach the Council is not yet in a position to calculate any savings. Evaluating whether digital projects have delivered intended savings is an important element of monitoring value for money of individual projects and of the digital strategy overall.

The Council does not have arrangements for monitoring and reviewing progress of its strategic approach to digital

- 15 As we set out above, there are weaknesses in the Council's strategic approach to digital, and the Council is not currently monitoring or reviewing progress of its strategic approach to digital. It has yet to determine how it will monitor and review progress of its new digital strategy. The Council has not produced measures to help it monitor and review progress. It will be important for the Council to establish a framework against which it is able to monitor progress towards short, medium and longer-term objectives.

The Council does not have arrangements in place to review the effectiveness of its strategic approach to digital or to share lessons learned

- 16 While it is too early to determine any lessons learned, the Council currently has no formal process for sharing lessons learned from the implementation of its approach to digital. It is not clear how the Council will review the effectiveness of its strategic approach to digital once its new digital strategy is live. The Council will need to ensure that it shares lessons learned from the implementation of its digital strategy. Otherwise, the Council will risk missing opportunities to improve processes, outcomes, and its arrangements to secure value for money.

Appendix 1

Audit questions and audit criteria

Below are the questions we sought to answer in carrying out this audit, along with the audit criteria we used to arrive at our findings.

Main audit question: **In developing its digital strategy has the Council acted in accordance with the sustainable development principle and put in place proper arrangements to secure value for money in the use of its resources?**

Exhibit 2: audit questions and audit criteria

Level 2 questions	Level 3 questions	Criteria
1. Is the Council's digital strategy informed by a good understanding of current and future trends?	1.1 Is there is a thorough understanding of the 'as is' (ie current demand/issues to be addressed) and the reasons why/underlying causes?	<ul style="list-style-type: none"> • The Council has drawn on a broad range of information from internal and external sources to develop a thorough understanding of the 'as is' and how it is likely to change. This includes information (including data) relating to: <ul style="list-style-type: none"> – service sustainability/resilience and resourcing challenges. – the needs of citizens and communities. – the underlying causes of current demand/issues to be addressed. – analysis of future trends and how they might impact, eg social, economic/political, environmental, cultural or technological. They might include known trends eg ageing population, depleting natural resources and particularly technological advances. They might also include those with a higher level of uncertainty eg jobs and skills needed in the future. • The analysis of the 'as is' and how it is likely to change is well informed by involvement activity, as appropriate, that reflects recognised good practice (eg National Principles for Public Engagement in Wales, Future Generations Commissioner for Wales advice and guidance). • The Council uses its evidence base effectively to:
	1.2 Is there a thorough understanding of the long-term factors that will impact and the challenges and opportunities that may result (eg risks and opportunities)?	

Level 2 questions	Level 3 questions	Criteria
		<ul style="list-style-type: none"> – identify actions in its strategic approach to digital that are likely to be most effective and why, including how they could address the root causes of problems; – inform decisions around its use of digital technology that seek to balance the need to meet short and longer-term objectives.
<p>2. Does the Council have a clear vision of what it wants to achieve through the use of digital technology?</p>	<p>2.1 Is the Council planning over an appropriate timescale?</p>	<ul style="list-style-type: none"> • The Council has considered what long term means in planning its approach to digital – ie how far ahead it can/should plan and why (at least ten years with consideration of longer-term trends as appropriate). • The Council has considered how actions can deliver the best impact over that timeframe in terms of outcomes and most effective use of resources. This could include consideration of appropriate intervention points linked to the Commissioner’s definition of prevention. (More details can be found in: Taking account of the Well-being of Future Generations Act in the budget process – The Future Generations Commissioner for Wales). • The Council has set out measures for its digital strategy that reflect short and long-term impacts and value for money, with milestones that reflect progress as appropriate. • The Council has set out how its digital strategy will be resourced over the longer term as far as is practical (see also criteria relating to integration).
	<p>2.2 Has the Council thought about the wider impacts its digital strategy could have, including:</p>	<ul style="list-style-type: none"> • The Council has considered how its digital strategy can make a contribution across the well-being goals. • Staff developing the digital strategy understand what colleagues and partners do and how their work relates, and have sought to integrate their

Level 2 questions	Level 3 questions	Criteria
	<ul style="list-style-type: none"> • how it could contribute to each of the seven national well-being goals? • how delivery will impact on the other things it is trying to achieve (ie its well-being objectives and wider priorities)? • how delivery will impact on other what other public bodies are trying to achieve (ie their well-being objectives)? 	<p>work with that of their colleagues from across the Council and with partner organisations.</p> <ul style="list-style-type: none"> • Integration is evident in the alignment of the digital strategy with other key corporate strategies and service plans. For example medium-term financial plan, workforce plan, asset management strategies, well-being statement and carbon reduction plans. • The digital strategy is aligned with other strategic intents such as: <ul style="list-style-type: none"> – customer experience; – management of demand/reductions in demand failure and prevention; and – design and implementation of new service delivery models. • The Council's digital strategy aligns with the plans/strategies of local and national partners including the Welsh Government's Digital Strategy for Wales Digital strategy and well-being plans.
	<p>2.3 Is there a wide and common understanding of what the Council is trying to achieve?</p>	<ul style="list-style-type: none"> • Councillors and senior officers responsible for implementing the digital strategy have a common and clear understanding of what the Council is trying to achieve and the intended impact on service delivery. • The Council's digital strategy is clearly communicated to staff and partners who may help deliver it.

Level 2 questions	Level 3 questions	Criteria
<p>3. Is the Council working effectively with the right people and partners to design and deliver its digital strategy</p>	<p>3.1 Has the Council identified who it needs to involve?</p>	<ul style="list-style-type: none"> • The Council has a good understanding of who will be directly and indirectly affected by its digital strategy and who it needs to involve. • The Council has effectively involved the full diversity of views in developing its digital strategy, including from non-traditional sources and from those it may have previously failed to reach.
	<p>3.2 Is the Council effectively involving the full diversity of people affected by its digital strategy?</p>	<ul style="list-style-type: none"> • The Council has provided genuine opportunities for people to influence the design and delivery of its digital strategy from an early stage, including representatives of groups who share protected characteristics. • The Council has used the results of involvement to shape the design and delivery of its digital strategy.
	<p>3.3 Is the Council collaborating effectively with the right partners?</p>	<ul style="list-style-type: none"> • The Council is collaborating to ensure it delivers better outcomes and value for money through its digital strategy and has put appropriate arrangements in place to support this, for example for: <ul style="list-style-type: none"> – sharing or pooling expertise and resources; – sharing information; – ensuring effective monitoring, evaluation and accountability including consideration of value for money.

Level 2 questions	Level 3 questions	Criteria
<p>4. Has the Council resourced delivery of its digital strategy so it can deliver long-term/preventative benefits?</p>	<p>4.1 Does the Council understand long-term resource implications?</p>	<ul style="list-style-type: none"> • The Council has assessed the costs and benefits of using digital technology to invest in long-term, preventative approaches and the cost (both financial and in terms of outcomes) of not doing so. • The Council has thought about the resources it will need to deliver its digital strategy over the medium and longer term (whole life costs) and how it could manage risks/meet those costs including, for example, planned 'invest to save' initiatives and managed reductions in technical debt. • The Council has calculated and set out any savings it intends to make through implementing its digital strategy.
	<p>4.2 Does the Council allocate resources to deliver better outcomes over the long-term?</p>	<ul style="list-style-type: none"> • Action (including preventative action) that is likely to contribute to better outcomes and/or use of resources over the longer term is promoted and supported, even: <ul style="list-style-type: none"> – where this may limit the ability to meet some short-term needs; – where the benefits are likely to be accrued by or attributed to another organisation.

Level 2 questions	Level 3 questions	Criteria
5. Is the Council monitoring and reviewing progress?	5.1 Is the Council monitoring and reviewing progress towards, short, medium and longer-term objectives?	<ul style="list-style-type: none"> • The Council monitors the costs and benefits of delivering its digital strategy from a value for money perspective. • The Council is measuring the wider contribution the digital strategy is making across its own/partnership objectives. • Progress is measured against short, medium and long-term objectives.
6. Is the Council learning lessons from how it works?	6.1 Does the Council review the effectiveness of its digital strategy?	<ul style="list-style-type: none"> • The Council regularly reviews the effectiveness of its digital strategy including: <ul style="list-style-type: none"> – effectiveness of its collaborative activity; – effectiveness of its involvement activity, including the impact of the strategy on service users including those who are digitally excluded; – the impact of the strategy on those who share protected characteristics; – the economy, efficiency and effectiveness of the digital strategy overall in helping the Council to achieve its strategic objectives. • The Council has reviewed lessons learned from its response to the pandemic and is applying this learning to its digital strategy.
	6.2 Does the Council share lessons learned from its approach to its digital strategy?	<ul style="list-style-type: none"> • The Council shares and applies any lessons learned from the development and delivery of its digital strategy widely across the organisation, and with partners where relevant.



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