Digital Strategy Review – Neath Port Talbot Council

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Report summary and recommendation

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 the Council's strategic approach to digital is informed by a good understanding of its digital provision and the Council drew on a range of data from external sources. The Council's strategic approach to digital is well-aligned with its other key plans and strategies and those of its partners and it has strong arrangements to communicate its strategic digital approach. The Council has committed resources to support delivery of its digital strategy but does not yet know its long-term cost implications. The Council is developing comprehensive arrangements to assess and monitor the impact of its digital approach, however the absence of a clear timeframe to deliver its digital strategy will make it difficult for the Council to assess progress and value for

money. The Council reviewed its previous digital strategy, learnt from this and shares its learning.

Our recommendation for the Council

Monitoring benefits

R1   If the Council continues with the approach of not stating a timeframe to deliver its Digital, Data and Technology strategy, it should put in place arrangements to:

– clearly articulate its short, medium and long term outcomes and intended benefits;

– cost its short, medium and long term ambitions and match them with available resources; and

– assess if it is delivering the strategy and its intended outcomes at the intended pace.

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 officers. The evidence we have used to inform our findings is limited to these sources. We undertook this review in July 2023.

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   Council approved its Digital, Data and Technology (DDaT) strategy in July 2023. The strategy is intentionally not timebound.

8   The Council's vision is: 'Neath Port Talbot Council will adopt the best Digital, Data and Technology to transform services for residents, businesses, elected members, staff and visitors.' The vision is supported by four strategic aims:

- continue to put all residents, businesses, elected members, staff and visitors at the centre of what we do.

- become smart and connected as a council and as a place, joining up and using the data we hold to improve our understanding of what matters to our residents (aligned to corporate plan).

- fully capitalise on the transformational benefits that Digital, Data and Technology (DDaT) offers, by ensuring it becomes fully embedded in how council operates – across people, processes and technology.

- ensure all DDaT services are robust, responsive, inclusive, scalable and secure. This will enable the council to undertake its day-to-day business, meet its statutory obligations and support business transformation through the innovative application of DDaT across service areas.

9   The DDaT strategy includes four strategic delivery themes. These are:

- digital by design;
- using the right technology;
- data and research led decision making; and
- our people.

10   Since 2021, the Council has increased the revenue budget for digital services by £500k. In 2023-24, the Council set up a Digital Transformation reserve of £1.2 million to provide funding to support digital transformation.

What we found: The Council has an integrated and well-articulated digital strategy, but does not have a clear timeframe to deliver it which makes it more difficult for the Council to assess progress and value for money

The Council's strategic approach to digital is informed by a good understanding of its digital provision and it has drawn on a range of data from external sources to inform its approach

11   The Council has a good understanding of its digital provision which has shaped and informed its DDaT strategy. In 2021, the Council commissioned an external provider to conduct a wide-ranging review of its digital services. The review included extensive staff consultation to understand digital capacity and capability in the Council. The Council used the findings of this review to inform its DDaT strategy.

12   The Council drew on extensive internal data to inform its DDaT strategy and used external evidence sources to gain a broader view of the current situation in the County such as digital exclusion rates, the digital infrastructure and regional and national digital priorities. The Council used data from the Tax Reform Group of The Chartered Institute of Taxation which identifies factors leading to digital exclusion. The DDaT Strategy reflects the importance of digital inclusion and collaboration to reduce digital exclusion. Considering a wider range of information and data is helpful for the Council to have a greater understanding of challenges, opportunities and risks for digital within the County Borough.

13   The Council sought the views of its citizens in 2021 through its 'Let's Talk' campaign on what is important to them following the pandemic. This campaign gathered views on their future digital needs, particularly citizens' concerns on digital exclusion. While this public engagement gathered citizens views on digital which the Council reflected in its DDaT strategy, this consultation was not specifically on the DDaT strategy.

14   As the Council has not specifically consulted its citizens on its DDaT aspirations, it has not specifically involved or consulted with the full diversity of the population and its representative groups. By not involving the full diversity of citizens in developing the Council's strategic digital approach, the Council risks designing approaches that do not meet citizens' needs and therefore do not secure value for money.

15   However, a key strategic aim of the DDaT strategy is 'digital by design' i.e. designing and developing digital services based on residents and businesses needs. The Council intends to gain a greater understanding the current situation and future digital needs by involving and consulting at individual digital project

design level. The Council are also developing 'user personas' to represent the needs of different groups under this Digital by Design strategic theme. The Council plans to consult and involve on individual digital projects. However, this approach can bring risks. The Council has resourced the development of a new strategic approach without fully consulting on it. This potentially could result in a further resource commitment to amend a strategic approach that does not meet the needs of its citizens.

The Council has strong arrangements to communicate its strategic approach to digital

16   The Council is using different and proactive ways to inform staff of its DDaT strategy. Following Council approving the DDaT strategy in July 2023, the Digital Service intend to produce short videos on the 'what/how/why' of the strategy. These videos will be available for all staff on the intranet. The Council's Business relationship officers engage with services to further promote the roll-out of the strategy and respond to questions. Many of the Council's partners also received a copy of the draft strategy for comment. Communicating the Council's strategic approach to digital to staff and a range of stakeholders increases the likelihood of their being a common understanding of what the Council is trying to achieve and therefore increases the likelihood of it being delivered.

The Council's strategic approach to digital is well-aligned with its other key plans and strategies and those if its partners

17   There is strong alignment between the Council's DDaT strategy and the Council's corporate priorities. There is close alignment between the Council's Corporate Plan which states its digital intentions in 5 years and in 20 years, the Strategic Change Programme, the Decarbonisation and Renewable Energy Strategy and 'The Future of Work – Strategic Workforce Plan'. The Council's vision for digital aligns with the Public Services Board. All mention the importance of digital in becoming a smart and connected Council and as a place. The Council considered the Welsh Government Digital Strategy for Wales in its consideration of its own digital ambitions and priorities as well as engaging with the Centre for Digital Public Services. Aligning its strategic approach to digital both across the Council and with partners should help the Council identify opportunities to share resources, avoid duplication of efforts and deliver multiple benefits.

18   The Council works in partnership in delivering its digital strategic ambitions. Throughout the DDaT strategy, the importance of partnership working and collaboration is clear. For example, the Council identified a need to modernise how it manages and feeds data, research and analysis into its decision-making. To achieve this, the Council identified working with partners from academia, public health, statutory bodies, voluntary organisations and the community. This should

help the Council access evidence to inform future policies and strategies. The Council is also a key partner in the Swansea Bay City Deal's Digital Infrastructure Programme and the partnership works collaboratively to assist each other deliver its digital transformation strategy. Working in partnership can result in a sharing of knowledge, expertise and/or resources that can lead to better outcomes whilst also improving value for money.

The Council has committed resources to support delivery of its digital strategy but does not yet know its long-term cost implications

19   The Council has increased its resourcing of digital, created a Digital Service and allocated specific funding to support future digital transformation. Since 2021, the Council has increased the revenue budget for digital services by £500k. The Council has set up a Digital Transformation reserve of £1.2 million to provide funding to support digital transformation. While this demonstrates the Council's commitment and recognition of the importance of digital, the Council allocated this amount before approving its new strategy. Therefore, the Council cannot be assured it has allocated a suitable amount of funding to deliver its digital ambitions.

20   The Council understands the enabling role of digital and its importance in supporting the workforce deliver more efficient and effective services. The Council completed a restructure of its former IT service and created a Digital Service and allocated £100k towards the restructure. The Digital Service, alongside its HR and Organisational Development service, is intended to support the workforce in improving digital capacity and capability as well as providing improved career development, progression and succession planning. This approach has the potential to provide the Council with additional digital support and stability in delivering its digital transformation.

21   The Council set up a new operating model to support the Council's digital vision and ambitions. This model focuses on six key areas one of which is Governance Controls. As part of Governance Controls, the Council is seeking to understand the long-term cost implications in delivering its digital ambitions. Once the long-term costs are known, the Council should be better informed and can use this information to more accurately allocate resources.

The Council is developing comprehensive arrangements to assess and monitor the impact of its digital approach, however the absence of a clear timeframe to deliver its digital strategy will make it difficult for the Council to assess progress and value for money

22   The Council is putting in place comprehensive arrangements to monitor its digital strategy on an annual basis and its individual digital projects. At the time of our fieldwork, some of the arrangements were new, or under development so it is too early to assess their effectiveness.

23   The Council is developing an annual delivery plan to support the DDaT strategy. The delivery plan will contain measures and metrics to help it track progress. There will be specific performance indicators in the delivery plan that should complement the quantitative and qualitative measures already identified by the Council. This information should provide the Council with information to determine progress on an annual basis. It will also be important for the Council to be able to monitor and evaluate the value for money of the DDaT strategy.

24   The Council intend to review the DDaT strategy annually. This should help the Council gain assurance the strategic approach remains current. It should also provide the Council with greater flexibility to adapt and update the strategy in line with the challenges and opportunities at the appropriate times.

25   The Council established a Digital Transformation Board to drive the prioritisation of activities, ensuring alignment to corporate priorities, with escalation and reporting through to Corporate Directors Group and Cabinet Policy and Resources Sub Committee. The Board consists of digital service officers and representatives from each directorate. Representation across Council services can reduce the risk of duplication of efforts, it can identify opportunities for different services to collaborate to deliver multiple benefits and ensure a common understanding of the Council's digital priorities.

26   The Council has a Digital Services Pipeline Tracker. This Tracker contains digital projects and records the stage each project is at in its implementation. This should allow the Council to determine the timeliness of implementing each project and intervene if projects are behind schedule.

27   A fundamental element in understanding the future success and impact of a digital project and wider strategy is understanding the perceived financial and/or non-financial benefits at the outset. For the Council to have this information, it developed a Digital Transformation Board Service Request form which services can complete to request funding from the £1.2 million Digital Transformation reserve. The form had not been used at the time of our fieldwork and the Council had not allocated any funding from this Reserve. The form requires services to identify the benefits of the digital proposal, such as improvements to customer satisfaction levels, operational efficiencies, whether it will generate savings and/or improve productivity. Ensuring that digital projects articulate the intended benefits at the outset will help the Council assess whether the benefits are being realised when monitoring progress.

28   The Council has not set a clear timeframe to deliver the DDaT strategy. This presents several challenges for the Council if it is to be able to:

- adequately resource the delivery of its strategy over the short, medium and long-term

- clearly articulate its short, medium and long term outcomes; and

- judge if it is delivering the strategy at its intended pace.

29 By not having a clear timeframe to deliver the strategy, it will be difficult for the Council to gain assurance its digital strategic approach is delivering what the Council wants, when it wants it delivered and to adequately determine if the Council is securing value for money.

The Council reviewed its previous digital strategy, learnt from this and shares its learning

30 The Council reviewed its previous digital strategy and digital provision and used the output of this review and its recommendations to shape and influence its current digital strategy.

31 The Council has a positive approach in sharing lessons learnt. This has included sharing lessons at external seminars on developing its target model to align with Welsh Government's Digital Strategy for Wales and from its approach to digital recruitment. This willingness to share ideas and lessons learnt also provides an opportunity for the Council to learn from others.

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?	• 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: – 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.
	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)?	• 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).

Level 2 questions	Level 3 questions	Criteria
		• The Council uses its evidence base effectively to: – 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.
2. Does the Council have a clear vision of what it wants to achieve through the use of digital technology?	2.1 Is the Council planning over an appropriate timescale?	• 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: <u>Taking account of the Well-being of Future Generations Act in the budget process – The Future Generations Commissioner for Wales</u>). • 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).
	2.2 Has the Council thought about the wider impacts its digital strategy could have, including:	• 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

	• 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)?
		work with that of their colleagues from across the Council and with partner organisations.
		• 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:
		  – 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.

	2.3 Is there a wide and common understanding of what the Council is trying to achieve?	• 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
3. Is the Council working effectively with the right people and partners to design and deliver its digital strategy	3.1 Has the Council identified who it needs to involve?	• 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.
	3.2 Is the Council effectively involving the full diversity of people affected by its digital strategy?	• 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.
	3.3 Is the Council collaborating effectively with the right partners?	• 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: – 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
4. Has the Council resourced delivery of its digital strategy so it can deliver long-term/ preventative benefits?	4.1 Does the Council understand long-term resource implications?	• 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.

	4.2 Does the Council allocate resources to deliver better outcomes over the long-term?	• 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:
		  – 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?	• 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?	• The Council regularly reviews the effectiveness of its digital strategy including:
		  – 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?	• 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.