

READING BOROUGH COUNCIL

REPORT BY EXECUTIVE DIRECTOR OF RESOURCES

TO:	POLICY COMMITTEE		
DATE:	31 OCTOBER 2022		
TITLE:	DIGITAL TRANSFORMATION STRATEGY - DELIVERY UPDATE		
LEAD COUNCILLOR:	CLLR TERRY	PORTFOLIO:	CORPORATE & CONSUMER SERVICES
SERVICE:	DIGITAL & ICT	WARDS:	BOROUGHWIDE
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report provides an update on work to realise the *Connected Reading* Digital Transformation Strategy that was agreed by Policy Committee in July 2021. It sets out the progress made since the last report in January 2022 and seeks endorsement of the next steps planned. Certain information is commercially sensitive, and is provided in a part 2 Appendix.
- 1.2 The primary focus has been on the procurement of the Casework and Customer Platform, which will replace the end-of-life Civica APP casework system and provide an end-to-end Customer Relationship Management system in support of the *Achieving Customer Service Excellence* strategy. Arcus Global has been selected as the provider. Contract finalisation and mobilisation planning is now underway for a target go-live by the end of 2023. The cost of the project over the current Medium Term Financial Plan period will be less than conservatively estimated in the January 2022 report - and it enables confirmed recurring cashable benefit.
- 1.3 Progress has also been made on the Independent Living, Mosaic Data and Digital Inclusion workstreams supporting Adult Social Care transformation and described in the January 2022 report. In addition:
- A programme of significant improvement to our online service delivery and website improvement has been running since January 2022.
 - A project to move internal information to Microsoft SharePoint (the document management system included in Office 365) is reaching the end of its first stage.
- 1.4 Further projects to implement aspects of the strategy (subject to individual project approvals) are in the definition stage. Some of these will be funded from the budgets cited when the Digital Transformation Strategy was approved. Others are the subject of additional funding bids that are being considered through the current budget setting process.

- 1.5 However, the current capacity of the teams delivering digital projects presents a risk to progress and delivery of the planned savings and improvements. Where good progress has been made, there has been reliance on agency staff and TPXImpact (formerly FutureGov), who advised on the original Strategy. However, we are at the end of the contract period for TPXImpact, and agency staffing poses continuity and other risks.
- 1.6 The use of external professional support has been found to be valuable as it allows capacity to be quickly changed and scarce skills to be resourced easily for short periods. Therefore, it is proposed that we should enter a framework agreement with a digital transformation partner to allow us to call off delivery capability when needed.
- 1.7 To maximise value for money and minimise risk, it is proposed that the framework would allow individual work packages to be agreed; each package having an approved business case. Importantly, there would be no commitment to a total contract value. For procurement purposes it is necessary to define a maximum value that the total of the work packages let cannot exceed.
- 1.8 It is important to note that no additional funding is being requested for this proposal which is essential to deliver the previously agreed improvements as well as agreed and future budget savings.

2. RECOMMENDED ACTION

That Policy Committee:

- 2.1 **Notes the progress made to date;**
- 2.2 **Endorses continuation of the current workstreams;**
- 2.3 **Grants delegated authority to the Executive Director of Resources, in consultation with the Lead Member for Corporate and Consumer Services and the Chief Digital & Information Officer, to award a framework contract for a Digital Transformation Partner, with the maximum contract value set out at paragraph 4.2.6 of the report, noting that each work package called off would be subject to individual approval to confirm affordability and value for money.**
- 2.4 **Notes that a further update on progress on implementation of the Digital Transformation Strategy will be presented in Q1 23/24.**

3. POLICY CONTEXT

- 3.1 The *Connected Reading* Digital Transformation Strategy was approved in July 2021. It set out a vision, connected to the Council's strategic aims, that:

Strong, connected relationships with residents, businesses and partners underpin a healthy, thriving and inclusive borough.

This vision was underpinned by five strategic themes:

- Developing Foundations
- Connecting Communities
- Sharing Information
- Improving Skills
- Enabling Investment

3.2 The programme is also a major enabler of the *Achieving Customer Service Excellence* Customer Experience Strategy, which was approved by the Policy Committee in January 2020, whose business case articulated a strong dependency on technology and included a [...] capital budget for technology and business change. This is particularly relevant to the Casework and Customer Platform workstream covered at 4.1.1 below.

3.3 A progress report on strategy implementation was provided to the Policy Committee in January 2022. Section 4 below covers the four workstreams discussed in that report:

- Casework and Customer Platform
- Mosaic Data
- Independent Living
- Digital Inclusion

3.4 It also covers the following two streams of work initiated since:

- Web Services Development
- SharePoint Implementation

4. THE PROPOSAL

4.1 Workstream progress reports

It is proposed that progress be noted and continuation of in-flight projects be endorsed.

4.1.1 *Casework and Customer Platform (Strategy themes: Developing Foundations, Sharing Information, Connecting Communities)*

As reported in January 2022, this workstream brings together two requirements from the original workplan. The first requirement is to replace Civica APP, an end-of-life casework application used by around fifty functions within the planning and regulatory field, thereby enabling efficiencies built into the Medium-Term Financial Plan. The second element of this workstream is focused on providing the end-to-end Customer Relationship Management (CRM) capability that underpins a significant proportion of benefits budgeted to be delivered by the Customer Experience programme.

As agreed, a multi-lot procurement has been run covering these two requirements and the resulting contract has been awarded to Arcus Global,

which is offering a single solution for the two lots. The solution provides the widely used Salesforce CRM platform, on to which Arcus Global has built “out of the box” forms and processes for a number of local government functions including Planning and Regulatory Services. The contract is expected to be signed by the end of October 2022 with go-live around 12 months from then, with the two requirements being addressed by parallel streams of work. The cost of the solution is well within the limit estimated in the January 2022 paper.

4.1.2 *Mosaic Data (Strategy theme: Sharing Information)*

The recommendations from the study into the financial management information issues surrounding Mosaic presented in the January 2022 report have been implemented. Alongside improvements in change control processes and the technical implementation of Mosaic, the most significant development has been of a social care finance dashboard which is providing the commissioning team with automated, on-demand and up-to-date financial analysis. (Such analysis previously required time-consuming and resource intensive effort). That analysis is being used to support decision-making that maximises value for money.

As well as generating immediate benefits, the project has stimulated and focused work on the improvement of business processes within Mosaic and established an exemplar for data analytics on which future projects will draw. This specific project has completed but further work to enhance Mosaic, founded on the lessons learned from this project, is being scoped. This work is likely to be extensive, but will provide significant benefits to the service and residents.

4.1.3 *Independent Living (Strategy themes: Connecting Communities, Sharing Information, Enabling Investment)*

This workstream is piloting the use of digital in its broadest sense to enable vulnerable and elderly people to live as independently as is right for them for as long as possible, building on successes already achieved through the implementation of “first generation” technology-enabled care such as fall detectors. Its primary focus is on intelligent pattern-of-life analysis via in-home sensors that enables a shift to proactive care, eg detecting patterns of behaviour that indicate a fall is more likely, rather than simply detecting that a fall has occurred.

The potential benefits of this initiative lie primarily in cost avoidance through reducing the future demand for residential care and other high-cost services. Given the scale of those costs, the benefits could be highly significant. The purpose of the pilot is robustly to test that benefits potential by comparing outcomes between test and control groups across a 6-12 month period.

Two suppliers - Intelligent Lilli and Howz - have been selected to pilot solutions. The projects have mobilised and are currently identifying and

gaining consent from around 50 service users across a range of test cohorts including:

- Frail in sheltered housing
- Those on discharge/reablement pathway (where some equipment installation has taken place)
- Young adults with learning disabilities in transition
- Individuals with mental health issues

4.1.4 *Digital Inclusion (Strategy themes: Connecting Communities, Improving Skills)*

The following progress has been made on the areas for action identified in the January 2022 update:

- A proof-of-concept public WiFi solution is currently being implemented at the Pincroft children's residential unit and the Cressingham children's short-break service.
- A contract has been placed with a provider which can sanitise Council equipment which is no longer needed, so that it can be donated.
- Broadband links – which are being provided at no charge by Virgin Media as part of their social value commitments – are being implemented at Coley Park and Hexham Road (Whitley) Community Centres, where pre-installation site surveys have now completed, and options for additional sites are being explored. We are planning the use of volunteer effort from suppliers to help with community awareness and skills around the launch of these connections.

4.1.5 *Web Services Development Programme (Strategy Themes: Developing Foundations, Sharing Information, Connecting communities)*

This programme of work has been focused on the highest priority improvements to the Council's website, implementing the commitment in the *Connected Reading* strategy to optimise Customer Fulfilment processes. It has delivered the following:

- Automation of missed bin service and provision of online bin ordering, eliminating around 750 customer service team transactions per month
- Online ordering of bulky waste collection, introduced in tandem with the free collection policy
- Improvements to parking services payments and online guidance
- Improvements to search, navigability and accessibility (especially on mobile devices), including compliance with Government Digital Service standards across the home page, top three levels of menus, Council Tax services and housing portal. Our accessibility rating (against the relevant international standard) has increased from 86% to 97% and there has been a substantive drop in telephone enquiries relating to Council Tax.
- Move to a single change-of-address notification across all services (eg parking permits, licensing, adult social care, electoral roll).

The next planned areas of focus are:

- Webchat for Customer Fulfilment Centre
- Digitising the process of applying for traffic network licences and permits
- Single sign-on across web services so that users need only one username and password to access all Council digital services
- Information, advice and guidance, and an online “wall of shame” to deter and detect flytippers.

4.1.6 *SharePoint Implementation (Strategy Themes: Developing Foundations, Sharing Information)*

An integrated element of the Microsoft 365 office suite in which the Council has invested is SharePoint, Microsoft’s document management solution. It allows information to be shared both internally and externally in a straightforward but also highly controllable manner. The full adoption of SharePoint to replace other ways of sharing information (eg shared folders) will allow staff to collaborate more easily (eg by working jointly on a single version of a document), increasing staff efficiency, make it easier to enforce governance requirements such as data retention policies. It will also reduce our hosting requirements, saving money and lowering energy consumption. Savings have been outlined in the latest MTFS proposal.

The first stage of the project will complete this quarter. This has involved the cleansing, review and migration of around 20 terabytes of files from shared folders into a new SharePoint structure with clear information governance arrangements, and provision of staff training. The next areas of focus for the project will be on the migration of information from personal folders, to enable further hosting cost savings, and on further training and communications to embed the capability.

4.2 **Proposal for a Digital Delivery Partner (Option 1)**

4.2.1 Further projects to implement aspects of the Strategy (subject to individual project approvals) are in the definition or preliminary exploration stage. Examples include:

- Adult social care digital front door, supporting social prescribing and greater integration with the voluntary and community sector
- Robotic process automation - continuing the automation of the movement of information and routine processing, already begun in the Revenues and Benefits team (but not replacing human judgement in decision making)
- Automation of business processes related to the management of Street Scene work, building on the work already done in Waste
- Housing and Communities digital presence (web, chat/chatbot, community centre kiosks and social media) to drive self-help (eg around employment) and self-service, and to share knowledge with landlords, housing associations, voluntary sector and businesses
- Rationalisation of our line of business systems, to remove duplication (eg where tasks done by dedicated legacy applications could be moved into the Casework and Customer Platform), streamline processes and reduce maintenance costs.

- 4.2.2 Strategic proposals for such projects are being scrutinised through the budget preparation and Transformation & Efficiency processes. Some projects would be funded by the budgets already earmarked for digital transformation. Others are the subject of separate bids from the Directorates concerned.
- 4.2.3 It is already clear that, as was anticipated in the original *Connected Reading* strategy, further development of our digital delivery capability – project and programme management, business analysis and change, digital service design and development – will be required to support current and planned delivery. There are 13 permanent roles in these disciplines currently. Analysis of the project pipeline suggests a consistent demand of the order of 25 for such roles and a potential peak requirement of up to 45.
- 4.2.4 While the existing team has been supplemented by agency, interim and consultant staff to maintain delivery, team capacity has been a constraint on progress. The optimum balance between permanent staff and external staff is being considered as part of budget discussions but it is already clear that a level of external support will be needed.
- 4.2.5 It is therefore proposed that a contract with a digital delivery partner is put in place for a 2-year period, with two optional 1-year extensions (Option 1). Over that period, it is to be expected that there will be changes in requirements and priorities, as the organisation learns from the experience of delivery, its understanding of resident and business needs develops and digital technology evolves. It is also a period of economic uncertainty. It is therefore proposed that the contract should be let as a framework, under which individual projects would be contracted as call-off orders.
- 4.2.6 Each project would be subject to a business case and scrutinised to ensure value for money and affordability within budget allocated. Importantly, beyond the first work package selected (likely to be an application rationalisation analysis), there would be no guarantee of future work or of a specific contract value. The maximum contract value will be affordable within existing funds and will not be exceeded. It is to be emphasised that the setting of that maximum value does not represent a commitment to that spend: each item of spend would be subject to appropriate business justification and approval.
- 4.2.7 The partner would also be required to support the development of new joiners to the team, transferring skills and knowledge. This will enable us to include staff on the team at an early stage in their careers and support their development presenting an attractive offer to such joiners.

4.3 **Alternative options considered**

4.3.1 *Do nothing (Option 0)*

In this option, the team would be maintained at its current size but, because of the end date of our contract with TPXImpact (formerly FutureGov, who were our advisers on the Digital Transformation Strategy), actual delivery capacity and momentum would reduce. Because of the need to focus effort

on the Casework and Customer Platform implementation, delivery of other aspects of the Strategy would stall.

4.3.2 *Grow internal team with no external support (Option 2)*

In this option, the internal team would be increased to a level optimum for meeting the need for digital project delivery while remaining fully utilised. However, without external support, the delay in recruitment of staff and ability to recruit at the right level would cause further delays in the delivery of benefits and a loss of momentum, as would the inability to “surge” capacity when required. We would not be able to draw on the external partner for training and development of the incoming staff, reducing the effectiveness of the team and the attractiveness of job opportunities.

4.3.3 *Resource projects individually (Option 3)*

In this option, external resources (eg agency staff) would be sourced for individual projects as required. However, this would add delay to each project and risks a loss of cohesion and corporate knowledge across the team.

4.4 Recommendation

- 4.4.1 It is recommended that Option 1 be adopted, and that authority be delegated to the Executive Director of Resources to appoint a digital delivery partner, on a framework basis, with clear scrutiny measures to ensure the value for money and affordability of call-off orders placed under the agreement.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 The *Connected Reading* Digital Strategy has been designed to support all three objectives of the Corporate Plan. In particular, the current workstreams described at 4.1 above make the following contributions:

- **Casework and Customer Platform and Web Service Development Programme** are contributing to the Thriving Communities and Inclusive Economy objectives by easing access to relevant council services.
- **Independent Living** will contribute to Healthy Environment and Thriving Communities by improving the quality of life and care for the elderly and vulnerable, while contributing to Inclusive Growth by stimulating technology investment in this sector.
- **Digital Inclusion** will contribute to Inclusive Growth (eg through provision of digital access in support of building employability skills) and Thriving Communities (through a focus on community facilities).
- **SharePoint Implementation** is contributing to all strategic aims by making Council staff better able to collaborate and share information between teams and with external delivery partners.

6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS

- 6.1 There are no specific environmental or climate implications from this work, but the potential for work on the rationalisation of business applications to

eliminate unnecessary use of computing power and hence carbon should be noted.

7. COMMUNITY ENGAGEMENT AND INFORMATION

7.1 Community engagement will be central to the implementation of the Strategy. In particular:

- Wherever new services that affect residents or communities are being implemented, we will continue to consult residents through such mechanisms as interviews, focus groups or engagement in prototyping exercises. Such engagement has already been of material value in the Casework and Customer Platform workstream.
- In concert with other Council initiatives related to digital inclusion, we shall be continuing to engage with community organisations to ensure that we are both optimising the work we do on digital inclusion and also taking the risk of digital exclusion into account in the design of digital services.

8. EQUALITY IMPACT ASSESSMENT

8.1 There are no specific equality impacts arising from this decision. However, accessibility will be a design criterion for any digital services (eg compliance with the internationally accepted Web Content Accessibility Guidelines).

9. LEGAL IMPLICATIONS

9.1 The contract for the Digital Delivery Partner will be let under an appropriate government framework. The most likely framework is the Crown Commercial Services Digital Specialists and Programmes framework (RM6263). A soft market test carried out in August suggested that there would be sufficient interest from suppliers on this framework to ensure a healthy competition.

10. FINANCIAL IMPLICATIONS

See appendix

11. BACKGROUND PAPERS

None