



REPORT TO: POLICY AND RESOURCES COMMITTEE ON 14 APRIL 2015

SUBJECT: DIGITAL SERVICES

BY: CORPORATE DIRECTOR (CORPORATE SERVICES)

1. REASON FOR REPORT

- 1.1 To invite the Committee to consider the Council's approach in relation to the future provision of online council services (Digital Services) and to ask the Committee to allocate appropriate resources to the work.
- 1.2 This report is submitted to Committee in terms of Section III (A)(48) of the Council's Scheme of Administration relating to information technology.

2. RECOMMENDATION

2.1 It is recommended that Committee agree to:-

- (i) pursue a programme to develop digital services for the Council which put the citizen at the centre and aim to deliver improved accessibility and efficiency by creating online services people choose to use;**
- (ii) add £700,000 for the programme of work to the Council's capital plan over the next 5 years;**
- (iii) allocate a revenue budget for the next 3 years: £385,800 for 2015/16 rising to £470,000 for 2017/18 with a further assessment of the resources needed again in October 2015 once the project is further developed;**
- (iv) approve the establishment of the posts set out in paragraph 4(e) below to enable the workplan to be progressed and maintained; and**
- (v) subject to approval of the above, note that more detailed work will be undertaken and thereafter receive regular reports which identify service areas to be targeted and progress in meeting the targets set with the first such report being provided in October 2015.**

3. BACKGROUND/

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- 3.1 At its simplest, Digital Services is about providing services to the public online, using the internet. However, digital services also provide far wider opportunities and benefits for both customers and organisations by taking advantage of the rapid growth in technology and the increasing use of the internet by people of all ages.
- 3.2 There is now evidence, including the Council's own Citizen Panel Survey, that the public expect services to be available online and that the majority are prepared to use these. Online services offer accessibility at a time that suits the customer rather than being restricted to office hours.
- 3.3 The Council provides in excess of 300 services with a customer contact but for the majority of these services members of the public continue to transact either face to face or by telephone. Research shows that the cost of face to face contact in public services is 50 times that of an online contact and telephone contact is 20 times the cost of online. With estimated costs of £8.62 per face to face contact, compared to 15p for online (2012 Society of IT Managers survey of 120 councils) and 24,000 face to face and 215,000 telephone enquiries to The Moray Council's customer contact centre in 2014, the scope for efficiency is evident.
- 3.4 Digital Public Services is a key theme of the Scottish Government's "Scotland's Digital Future" agenda and this gives a useful definition:
- "Transforming public services to ensure they can be provided online whenever possible and are shaped around peoples' needs."*
- 3.5 This principle of designing around customer needs and behaviours is central to the proposal to develop digital council services for Moray. The principles that the digital services project will work to are proposed as:
- (i) Put the customer at the centre
 - (ii) Encourage adoption of online, no contact services
 - (iii) Communicate with our customers electronically where possible
 - (iv) Add efficiency to service delivery
 - (v) Do it once – share information where possible
 - (vi) Be prepared for the future
- 3.6 Building on these principles, the Digital Services Delivery Framework proposed for the Council puts the customer at the centre with a view to delivering:
- (i) A choice of how members of the public will access services
 - (ii) Well designed, simple to use services
 - (iii) 24 x 7 service provision where possible
 - (iv) Cost effective services and where possible, service efficiencies
 - (v) Consistent service provision regardless of customer access channel

- (vi) Secure, authenticated services, that can be trusted
- (vii) Appropriate information sharing across organisational boundaries
- (viii) Continuous improvement through pro-active performance management of customer access channels
- (ix) A workforce skilled in using digital technologies
- (x) Reduced duplication of data collection

3.7 It is proposed to make full use of the range of opportunities to develop The Moray Council Digital Services delivery framework by undertaking work against five key themes:

3.7.1 Channel Shift: from the traditional face-to-face channel to increase use of telephony, email and web. Digital services may not be appropriate for all scenarios but there is a need to identify opportunities for channel shift, determine how extensively these should be promoted and to ensure these services are designed around the needs of our customers.

3.7.2 Citizen Account: the concept of the Citizen Account is to provide a method for maintaining a “trusted” single view of the customer which feeds into or updates other systems to ensure currency and consistency of information. Once this single view is achieved it can be used to provide improved services to the public.

3.7.3 Data Sharing: this will involve identifying the data held, the services that wish to share the data, obtaining the relevant permission to share this data and using the data appropriately and in compliance with relevant legislation.

3.7.4 Better use of data: analysing data could enable the prediction of how chains of transactions operate or making people aware of entitlements. This could aid consistent, fair and proactive service delivery as well as improved communication with customers about issues that are relevant to them.

3.7.5 Digital Awareness: Council staff need to be familiar with and use technology to their advantage and to the benefit of the public. To ensure the digital services project is successful it will be necessary to review the training provided to staff to ensure familiarity with the digital services project, how to use the various tools and be encouraged to participate in the development of digital services.

3.8 It must be recognised, however, that the use of council services varies greatly depending on the customer and the nature of the service. Digital services are not about putting all services online or onto the cheapest channel. There is a need to consider the customers who utilise the service and the suitability and appropriateness of the various channels for each service. One size will not fit all.

3.9 Customers are most likely to use digital services if they are designed around their needs providing a true end to end service for the key transactions they use. Viewing service delivery based on our existing departmental structure will not necessarily meet these expectations. Therefore, thinking of customer

needs, putting them at the heart of our thinking, monitoring how they use digital services and being agile enough to adapt any delivery plan based on this feedback will be critical to the success of the project.

- 3.10 This report seeks to set out a general direction for the development of digital services for The Moray Council. It gives a broad overview of the scale of efficiencies that can be expected from this type of transformation. It is proposed that this programme of work is taken forward on a spend to save basis but in order to develop the business case further into specific areas and to establish anticipated savings related to Moray services, there is a need to invest in resources. This is addressed in the Financial and Staffing implications paragraphs below.
- 3.11 The specific anticipated benefits arising from the Digital programme will be developed as part of the business case for each project. However, a range of foundation work is already in place based on the ICT Strategy, which means over the next 12 months some targets have been set in terms of benefits expected:-
- 30% increase in the page views on the council website;
 - 5% shift in service delivery to digital;
 - 20% of Council house tenant data matched for online service provision
 - 2% of Moray residents registered for online services
- 3.12 As the programme develops, it should be possible to release resources and generate efficiencies as a result of these changes to provide the return on investment from the spend to save approach.
- 3.13 Given the speed at which technology and work in this area is developing; the learning from DBS and the learning that occurs during each development, it is proposed to take an agile approach. This is an iterative and incremental method of working based on breaking projects into small chunks to be delivered in specific short timescales and refining before the next stage. Therefore, an extensive detailed plan would not be produced although the work will take place within an overall framework and plan working towards agreed results.
- 3.14 Given the extent of opportunity to implement new technology and ways of working and the rate of development in this area, it is likely that digital services and reviewing service delivery methods will become a long term, ongoing development programme for the council. However, at this stage it is envisaged that the work streams set out above will be taken forward over a 5 year period, with regular review of progress and plans as provided for by the agile approach. Resourcing below reflects this intended 5 year programme.
- 3.15 It is planned to use the ICT Gateway process to assess and prioritise areas to progress through the Digital Services programme of work. This will be overseen by CMT/SMT acting as the programme board and a working group of officers involved at each stage will oversee progress at an operational level.

The Head of Human Resources and ICT will be the senior responsible officer in project management terms for the overall programme of work.

4. **SUMMARY OF IMPLICATIONS**

(a) **Moray 2023: A Plan for the Future/Service Plan**

The Council recently approved its 3 year corporate plan identifying how it will contribute to Moray 2023. Section D of the Corporate Plan describes “How we will change to meet the challenges” and the fourth of the five sub-headings in this section recognises that “many services across the public sector could be delivered more personally and more efficiently online”.

(b) **Policy and Legal:**

There are links with the Customer Service statement that is currently under development. Digital Services development has the customer at the heart of design and so will be consistent with the customer care policy. There are no legal implications.

(c) **Financial implications**

Capital

Digital services rely on technology to facilitate different ways of working and to manage customer contact and data gathered effectively. This will require investment in new systems and the resources to implement them. The systems will require detailed consideration of the options available on the market, their use in the public sector and costs will be subject to appropriate procurement processes. Therefore, at this stage only estimates can be given based on current knowledge of the market and published pricing.

The current estimate of investment required for ICT systems is £700k over a 5 year period. Year 1 is likely to involve a higher proportion of investigative and development work for systems and projects and Year 2 will require the highest level of investment in some of the underpinning technology. The Year 2 costs include estimates for proprietary systems. These costs may vary and Year 1 will be used to assess the council's needs against the merits of the various system options to determine the essential requirements and best options and costs to meet these. Therefore, at this stage the anticipated profile of this spend is:

<u>2015/16</u>	<u>2016/17</u>	<u>2017/18 to 2019/20</u>
£50,000	£500,000	£50,000 per year

The main costs will relate to software, licenses and integration associated with citizen account and data matching systems; a payment handling solution for online payments; replacement e-forms solution; software licenses for bookings and infrastructure work on servers, firewalls, etc. to ensure capacity for digital services. These solutions will have ongoing revenue costs once they are implemented and these are indicated below.

It is requested that the above is added to the capital programme. In line with other estimates in the capital plan no amounts will be committed until detailed approval is obtained by the relevant service committee, which in this case will be Policy and Resources Committee.

Revenue

The systems referred to above will have related revenue costs. As with the capital costs, these are best estimates at this stage and will vary depending upon the actual solutions required and procured. Current estimates are:

2015/16	2016/17	2017/18
£25,000	£99,500	£110,000

It will also be necessary to put in place posts to deliver the work set out in the programme this will be a combination of project management, ICT technical resource, backfill within departments where services are being moved to digital and communications and engagement. The details are set out in paragraph e) below. The staff budget requirement identified is up to **£360,800** for 2015/16, although a number of the appointments will be part year.

It is anticipated that there will be some travel and stationery costs associated with the work and so a budget of £5000 per annum is proposed in addition to the staff costs.

As indicated in the ICT strategy report other projects result in the council's ICT resource being fully committed for the next few years and the scale of change required to implement the Digital Services project set out in this report could not be delivered without additional investment. At this stage committee is being asked to commit to up to funding for the next 3 years: **£385,800** for 2015/16 rising to **£470,000** for 2017/18 with a further assessment of the resources needed again in October 2015 once the project is further developed.

(d) **Risk Implications**

As indicated in the report, this is a developing area of work where new technology and the reactions of service users will be critical to how the planned work proceeds and how successful it is. The proposals set out in this report may vary as work progresses due to the degree of uncertainty from these factors.

The Council will also have to consider how actively it wishes to promote digital services to encourage their use and reduce costs that arise from other service channels. There is significant upfront investment required to provide the foundation for the development of digital services and the return on this investment may not be maximised if there is reluctance from service, the public or the council to shift to online services.

(e) **Staffing Implications**

It is anticipated that resourcing requirements will vary depending on the stage of the work and the particular projects being developed. There are a number of areas that will require early development in order to form the foundations for digital services. For example redesign and review of the council's website and content management; data gathering and matching; online forms; developing business cases for specific projects. Therefore, there is a need to put resources in early in order to be in a position to source, design and progress these to be ready to put in place solutions for particular services. It is also recognised that when delivering DBS there was pressure on service resources and conflicting priorities led to delays. Therefore, it is proposed to make provision for additional resourcing in services where the digital services projects are being developed to that time can be released, either through secondment or backfill as appropriate.

A further important area for the development of digital services is the involvement of customers in the design of digital services. There will be a crucial role in the consultation and engagement with citizens if they are to be at the centre of these newly designed routes to access services. Consideration is being given to how work might be undertaken with partners such as the Glasgow School of Art in this respect but allowance is also made in the budget for staff to undertake this engagement work.

There will be significant demands placed on the ICT team in order to deliver digital services. This is both in terms of developing the specific systems that will be required for digital delivery but also the infrastructure that needs to change to keep pace with demand. For example, it is important to ensure capacity and resilience are in place as reliance on and use of our services network and internet connectivity increases. Therefore, it is proposed to add capacity to the ICT team.

Committee is asked to approve the appointment of the following in the first instance with a report back in October 2015 to identify the targets for the 12 months ahead and the resources required for that period. Initial team appointments for the periods indicated below:

Post	Grade	FTE	Status	Cost	Role
Project Leader	G10	1.0	Temp 3 years	50400	co-ordinating, senior specialist, project management support
Project Administrator	G3	0.2	Temp 3 years	4200	
Snr ICT Officer*	G8/9	3.0	1xperm* 2xtemp 3 years	134000	process re-design, business analysis, system development, data management, technical lead
ICT Officer*	G5/7	1.0	Perm*	33200	Technical support
Communications and Engagement Officer	G7/8	1.0 0.4	Temp 12 mths then 24 mths	37400	Website content review and editing for major overhaul, thereafter management of. Engaging public/marketing skills
Backfill	G9	2.0	Duration of project	90,000	for departmental and customer services time
Customer Services	G4	0.5	12 mths	11600	Capacity for data gathering
TOTAL				360,800	

*One Senior ICT Officer is currently seconded to DBS on a temporary basis from a permanent post of ICT Officer, which is filled on a temporary basis. The posts identified at * are not additional to the current ICT establishment but would be a continuation of temporary arrangements that would otherwise end in December 2015.

As the total duration of the temporary contracts will exceed 4 years, the two employees concerned will accrue permanent contractual rights under the Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations 2002. It is possible that there could be applications from other temporary employees in similar situations. Should there be a need to remove these posts in future this would be managed through the Council's normal change management procedures. There would be no additional financial implications from the permanent appointments as redundancy payments would also accrue for long term temporary employees.

(f) Property

It will be necessary to accommodate additional staff, however, it is anticipated that this will be possible within the existing ICT allocation or within service departments for backfill arrangements.

(g) Equalities

Designing services around the needs of customers, with their involvement should take account of equalities issues as they arise. Care will be taken to ensure that services are developed to make them more accessible and to avoid creating any equalities issues as it is recognised that not all customers will be able to use all channels.

(h) Consultations:

CMT/SMT and the Service Development Group have been consulted in the development of these proposals and comments have been incorporated into the proposals and the business case moving forward.

5. CONCLUSION

5.1 Digital services offer the opportunity to radically transform the way council services are accessed and to design online services around citizens who use council services, while providing cost efficiencies. This is a dynamic area that changes rapidly due to new technologies, the way digital services are received and the attitude of the public to technology in their day to day lives. However, it is also recognised that not all council services will be suited to this method of delivery and face to face will always be required for some people and some services. There will be significant upfront investment required to set the foundations for future digital service delivery and potentially significant benefits to customers and the council. The Committee is asked to consider how to progress this agenda and to allocate funding accordingly.

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Background Papers:

Ref: H:\Admin\Reports\P & R\ICT\Digital Services (04-2015).docx

Signature: _____

Date : ___01/04/15___

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