

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CORPORATE OVERVIEW AND SCRUTINY COMMITTEE

15 NOVEMBER 2017

DIGITAL TRANSFORMATION PROGRAMME

1. Purpose of Report

1. To update Overview & Scrutiny on key developments with regards the progress for the delivery of the Digital Transformation Programme.

2. Connection to Corporate Priorities

The Council's Corporate Plan includes the following priorities:

- Making Smarter Use of Resources
- Helping People to be more self-reliant

The Digital transformation programme supports both of these priorities through enabling residents to access services online where they are willing and able to do so; and through releasing efficiency savings through automation.

3. Background

- 3.1. The Council recognised that digital technology presents an opportunity to improve citizens' access to services and engagement with the Council while reducing operating costs. 8 out of 10 adults already regularly use the internet in Bridgend County Borough and nearly 100% of 16 – 34 year olds. However, national data collected in 2014 shows that currently Bridgend Council has very few digital channels, compared to other Councils and a recent SOCITM survey gave the Council only 1 of 4 possible stars for its website. The SOCITM rating analyses the digital performance of Bridgend Council's website. SOCITM is the society for IT Digital Leaders and bench marks the Public Sector.
- 3.2. Bridgend Council agreed and adopted an approach of securing digital partners to design and implement a digital platform on a phased basis. This approach was chosen in favour of the two extreme options of a completely in-house solution or a completely outsourced solution following a period of market research.
- 3.3. A robust procurement exercise was carried out in April 2016, the successful Tenderer was Agilisys. The Agilisys Platform includes:

Agilisys service modules

- Council Tax
- Benefits
- Environmental Reporting
- Bulky Waste Bookings

- Pest Control Bookings
- Registrars Bookings
- eBilling
- Adult Social Care
- eForms

The contract started in September 2016 and the Council Tax and Revenues and Benefits modules were targeted for the initial phase.

3.4. An interim consultant was brought in to oversee the management of Agilisys. This was in part due to key senior responsible officers leaving the Authority.

3.5. This interim arrangement ended with the appointment of a new Head of Service for Performance & Partnerships who has now undertaken a review of this project.

3.6. The Agilisys contract envisages a phased roll out of a number of services beyond Council Tax and Revenues & Benefits. In addition to this, the programme has encompassed the following elements:

- Extension of the use of the Human Resources System “iTrent” by staff and managers – see paragraph 4.3 for details of iTrent
- A review of the website

4. Current situation / Overview Update

4.1. Programme Review

The review by the Head of Service has identified the following issues for resolution, each of which are explored more fully below:

- Refocusing the programme as a combined Business Process Reengineering (BPR) and Digital Transformation.
- There is a need for additional resource to realise the benefits of the Human Resources “iTrent” System
- Web Site redesign is fundamental and an alternative approach to content management for the Council is required.
- There is a need for a much clearer strategy focused around Digital Transformation

4.2. Digital Strategy and Business Process Reengineering (BPR)

4.2.1. As stated in 1.3 an approach was adopted to procure a digital partner to work with us through a range of services to channel shift the most commonly used services into streamlined digital routes i.e. so that users could self-serve. This is intended to improve access to the most commonly required services and interactions at a considerably reduced cost.

4.2.2. Pricewaterhouse Coopers (PWC) were commissioned in February 2017 to carry out a Business Process Reengineering (BPR) review of the Council Tax

service. The purpose of this BPR project was to look across the key business processes within Council Tax services in order to:

- Baseline the current ways of working and understand the officer effort required to support the delivery of these processes
- Design and map the future state of these Council Tax processes
- Determine the benefits which could be realised and establish the change impact from implementing the future ways of working.

4.2.3. Below is a summary of the savings identified.

Executive summary

What are the financial benefits from implementing the opportunities?

The financial benefits which could be realised from achieving the opportunities across the three delivery waves total £328k per annum. The majority of benefits are reliant on the implementation of the digital platform (wave 2) and broader organisation-wide changes (wave 3). An additional one-off net financial benefit of £171,900 has been estimated from implementing an annual single persons discount review process, and assumes that this process would be run as a managed service by an external party on a benefit sharing arrangement.

| Benefit saving | Wave 1 | Wave 2 | Wave 3 | Total |
|-------------------------------|---------------------|---------------------------|---------------------------|----------------------|
| FTE saving | 0.6 FTE | 3.0 FTE | 4.8 FTE | 8.4 FTE |
| Value of FTE saving | £15,900 p.a. | £85,800 p.a. | £137,300 p.a. | £239,000 p.a. |
| Other financial savings | £ - | £54,600 p.a. ¹ | £34,300 p.a. ² | £88,900 p.a. |
| Total financial saving | £15,900 p.a. | £140,400 p.a. | £171,600 p.a. | £327,900 p.a. |

Notes:

¹ Estimated annual saving of £54,600 from achieving 55% e-billing channel shift for current volume of annual Council Tax statements

² Estimated FTE saving of within Contact Centre team of 1.2 FTE from making greater use of current investment in IVR technology, corresponding to an annual saving of £34,300 (80% efficiency gain)

Assumption:

Assumed value for 1 FTE is £28,600 per annum which includes an estimated 30% assumption for on-costs and employer contributions



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- Wave 1 - Full Time Equivalent (FTE) Savings

Achieved through the rerouting of telephony calls from the service areas to the Customer Contact Centre; £15,900 in terms of FTE savings

- Wave 2 – Full Time Equivalent (FTE) Savings

Achieved through the implementation of the Digital Platform, this is valued at £85,800 p.a. in terms of FTE savings.

- Wave 2 – E-Billing

The other aspect of the Wave 2 savings valued at £54,600 p.a. is specifically linked to e-billing based on a 55% uptake of “My Account” for Council Tax residents.

This however will be challenging when 70% of Council Tax Citizens are Direct Debit (DD) subscribers. DD subscribers currently rarely engage with the Council.

- Wave 3 – Organisational Cultural Change

This wave is specifically linked to “Business Process Reengineering” (BPR), making the back office processes leaner to support the saving requirements associated with the channel shift.

In summary you can't just put a digital platform in place unless you change the way you operate, the platform provides the opportunity and foundation to facilitate the change, however the Council must be prepared to challenge and be disrupted to support transformation change.

4.3 Human Resources Application “iTrent” Self Service – Additional Resource

Currently managers and employees have access to self-service and people manager modules to enable:

- employees (desk top users) to update personal details i.e. name, address
- line managers (desk top users) direct access to absence management module
- line managers (desk top users) direct access to employee training records

The expanded utilisation of iTrent has the potential to release management time from common processes as well as enable managers to more actively take effective line management action – for instance proactively managing absence. Expanded use of iTrent is also important in promoting a culture of digital delivery amongst staff.

To drive forward the development of iTrent an additional operational role Grade 7, for up to 24 months has been recruited to support the implementation of the development work . Areas in which the iTrent system can assist managers will include:

- annual leave reporting,
- recruitment
- performance management.

4.4 Website Re-Design

4.4.1 Website Partner

Following approval to commission a partner to develop a modern website for Bridgend, a procurement exercise via the G Cloud Framework was carried out in the summer period of 2017, this lead to the appointment of S8080 as our partner organisation. S8080 have an extensive portfolio of customers across multiple sectors. Work is progressing with developing the new website. Examples can be found at Appendix 1 and 2.

4.4.2 Central Editorial Team

Following approval to invest in a central editorial function two new temporary officers joined the Communication Team in October 2017.

They will be responsible for the transitioning all the content from the existing website to the new website.

4.5 Ready State for “31.01.2018”

4.5.1 Ready State

CMB agreed to delay the Go-Live target date of July 2017 for the first release of “My Account”.

A new target date of the 31st of January 2018 is proposed for the “ready state” to release “My Account”. From this date the Council will initiate the launch process which will initially involve internal stakeholders as part of a controlled roll out. It is anticipated “My account” will be available early spring to the general public.

This will be in-line with the release of Bridgend’s new responsive website. Releasing “My Account” alongside the new website will allow Citizen’s to seamlessly interact with the “My Account” functionality. This could not be done with the existing website. Therefore it is proposed to dovetail the release of “My Account” alongside the new Bridgend Website.

4.6 Digital Transformation Strategy - Partner

As part of a discovery exercise ICT has been engaging with technology partners to better understand how they can support the delivery of the Councils Digital Transformation needs across the organisation.

Microsoft have proposed that they support the council as part of an engagement programme called ‘Cloud Navigator,’ this will be undertaken over a 8 week period, the output being a proposal that will provide:-

- A medium term digital transformation programme for the Council (based upon identified organisational/business/technology need) underpinned by Microsoft infrastructure, products and services as the Council’s lead technology partner. Demonstrating changes that the Council can adopt to improve services provision through the use of the new technology
- Support the development of an associated business case supported by a return on investment (ROI).
- A plan to shift toward a more flexible cloud based IT infrastructure that will underpin agile and mobile working, focused around collaboration and sharing of data joining up service provision both internally and nationally with partners.
- Demonstrate the ability for the Council to ‘Manage through Data’ underpinned by rationalisation of business applications, creating master data management sets (single view of people, property, places and transactions) and powerful business

intelligence tools to data mine and provide seamless and interactive live performance reports to inform service provision.

- Provide next generation Customer Services through a website and social media strategy that will be provide personalised, localised, automated, interactive and efficient 24/7 services.

Microsoft will work alongside the Council to spend time to analyse all this data, and use it as a foundation to co-create the final proposal, 'return on investment' case (or Voyage Plan) for consideration. The programme will be funded by Microsoft with no direct cost to the Council. Our commitment is our time and planned access to key stakeholders. (IT/business/Leadership). There is no obligation on the council to proceed or commit to anything post the programme.

5.0 Effect upon Policy Framework & Procedure Rules.

5.1 The report has no direct effect upon the policy framework or procedure rules.

6.0 Equalities Impact Assessment

6.1 A Digital Transformation review focused on “**User Needs Analysis**” was carried out by an external consultancy to ensure the new Web Site will successfully meet the **needs** of prospective **users**.

7. 0 Financial Implications.

7.1 Digital Transformation has approved one off funding of £2,630,000, split between revenue and capital funding. The total expenditure to date is c. £741,000 with a balance of £1,889,000 remaining.

There current and previous year’s budgets have included total budget reduction proposals of £210,000 in respect of Council Tax and Housing Benefits. To mitigate against the delays in launching online services, it has been possible to identify alternative reductions, principally around management restructuring and vacancy management thus far. Further efficiencies will require the digital platform to be delivered.

The additional costs of the different elements of the digital workstreams currently planned, which will be met from the Digital Transformation fund, are as follows:

| Item | Budget Value £000s |
|--|-------------------------|
| Commissioning a partner to develop a “Transformational Digital Strategy” | Nil except officer time |
| Fund for development of iTrent “self service”, including Grade 7 post | 55 |
| Central Editorial Team focussed on Web Content – 2 FTE for | 73 |

| | |
|---|----|
| 12 months | |
| Development of a modern council website | 70 |

8.0 Recommendation.

To note the contents of this report and the significant progress made against an important area of council priorities.

Darren Mepham
Chief Executive Officer
9 November 2017

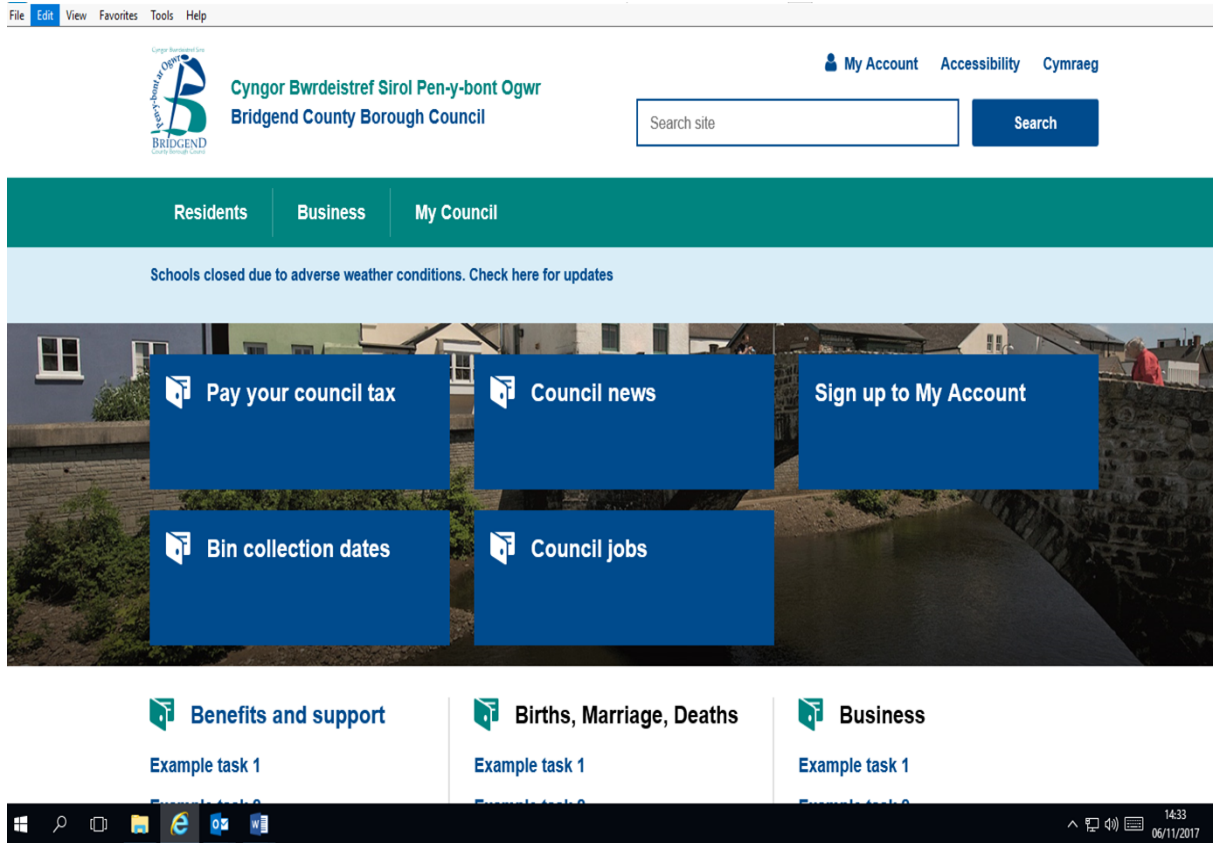
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Background Documents

Digital Transformation Consultation Report May 2016

Appendix 1

Desktop Version



Appendix 2

Smart Phone Version

