

Digital Strategy Review – Vale of Glamorgan 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 the Council has a clear vision for using digital technology. The Council has made good use of internal evidence sources to inform its strategic approach to digital but has made limited use of external evidence sources. The Council has identified who it needs to involve in developing its digital strategy and plans to consult widely, but it is not yet clear how the Council plans to collaborate with partners in delivering it. The strategic approach is aligned with its other key plans and strategies, but the Council has not articulated how it impacts on other public bodies. The Council has taken steps to ensure resources are in place to take forward its new digital strategy but has further work to do to determine any savings that may be made. The Council does not monitor progress of its strategic approach to digital and there are weaknesses

in the performance measures the Council intends to use. The Council has reviewed its previous digital strategy, but it is not clear at this stage how any lessons learned from the implementation of its new digital strategy will be shared.

Our recommendations for the Council

- R1 To ensure that its digital strategy takes account of current and future trends and issues the Council should ensure its horizon scanning to inform its strategic approach to digital is well informed by external sources, including future trends (see our audit criteria for Q.1.1 and Q1.2 in appendix A for some examples of what this might include).
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- R2 To avoid duplication and identify opportunities to deliver multiple benefits, the Council should review how its strategic approach to digital impacts on the objectives of other public bodies.
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- R3 The Council should ensure it has considered opportunities to collaborate in the delivery of its digital strategy to identify opportunities to share knowledge, expertise and/or resources that may improve value for money.
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- R4 To help the Council monitor the value for money of its digital strategy it should:
- identify any savings it is aiming to make from the strategy.
 - ensure that performance information used to monitor its digital strategy enables it to fully understand the impact of the Council's investment in digital
-
- R5 The Council should develop arrangements for identifying and sharing lessons learned from its approach to its digital strategy.

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 had a Digital Strategy for the period 2017-2020. In July 2023, a new draft Digital Strategy covering the period 2023-2028 went to Cabinet. The draft Digital Strategy has four themes:
 - Community and involvement
 - Organisation and processes
 - Digital people and skills
 - Data and insight
- 8 The Council is currently in the process of recruiting a head of digital. The Council also has a £1.5m reserve in place to support the implementation of new digital ways of working and to update current systems.

What we found: The Council is taking the sustainable development principle into account in producing its digital strategy, and is developing arrangements to deliver the strategy, but monitoring arrangements are under-developed

The Council has made good use of internal evidence sources to inform its strategic approach to digital but has made limited use of external evidence sources

- 9 The Council has got a good understanding of its current situation from internal evidence sources to inform its strategic approach to digital. In 2021 it commissioned a company to carry out a digital maturity assessment to help it to understand its current position in respect of digital. The Council built on that work by commissioning SOCITM¹ to help produce its draft digital strategy. As part of the development of its draft digital strategy, the Council held staff workshops across all Directorates to help it to understand the ways that the Council is currently using digital technology. This understanding of its current situation provided the Council with a sound basis on which to develop its digital strategy from.
- 10 However, the Council made limited use of external evidence sources to understand both current and future trends in developing its draft digital strategy. The Council

¹ Society for Innovation Technology and Modernisation

recognises in its draft digital strategy that it needs to develop its horizon scanning. The Council intends to develop its horizon scanning to identify potential digital solutions and to identify potential technologies that may support the transformation of services. Our audit criteria for this project gives examples of these such as social, economic/political, environmental, cultural or technological. Considering a wider range of information and data should enable the Council to better understand current and challenges, opportunities and risks for digital within the County to inform its strategic approach.

The Council has a clear vision for using digital technology and has considered how its approach to digital impacts on other things it is trying to achieve, but has not articulated how it impacts on other public bodies

- 11 The Council has a clearly articulated vision for digital and there appears to be a good understanding within the Council of what it is trying to achieve through its use of digital technology. This should be further enhanced with the planned staff consultation on the draft digital strategy.
- 12 There is strong evidence that the Council has considered the wider impacts of across the Council. The Council has considered how its strategic approach to digital will align to other plans and strategies it has including for example its Public Participation Strategy, Project Zero Climate Change Challenge Plan and People Strategy.
- 13 The Council has considered how its strategic approach to digital could contribute to the national well-being goals. The 2023-24 service plans show how services are contributing to the Annual Delivery Plan action relating to digital and each action also sets out its contribution to the national well-being goals. There are implicit linkages such as the digital inclusion aspirations aligning with the goal of 'a more equal Wales'. Aligning the digital strategy with the National Well-being Goals and the Council's other plans and strategies helps to reduce the risk of duplication and helps to identify opportunities to deliver multiple benefits.
- 14 The Council has not fully considered how delivery of the digital strategy will impact on what other public bodies are trying to achieve. Aligning its approach with other public bodies will help to identify opportunities to share resources, avoid duplication of efforts and deliver multiple benefits.
- 15 The Council is planning over an appropriate timescale. It has considered what long-term means for its digital approach. It has adopted a five-year timeframe for its digital strategy, to reflect that digital technology is constantly changing at an ever-increasing pace. It has set out actions that it will take within the first year of the strategy, within years two to three of the strategy and within the five year term of the strategy. There are examples within the draft strategy of longer-term thinking where current projects lay the foundation for future development. An example of this is the intention to explore the potential use of artificial intelligence. These factors indicate that the Council's strategic approach to digital includes planning for

the longer-term which should help to reduce the reliance on short-term interventions that may provide less value for money over the longer term.

The Council has identified who it needs to involve in developing its next digital strategy and plans to consult widely, but it is not yet clear how the Council plans to collaborate with partners in delivering it

- 16 The Council has involved others in developing its new digital strategy. It has done this in the following ways:
- The Council engaged SOCITM as part of the process in developing its draft digital strategy
 - The Council engaged over 100 staff from across all service areas as part of developing its draft digital strategy
 - Elected members have been involved as the draft digital strategy has gone to Cabinet and scrutiny.
 - The Council will be undertaking a consultation with residents on the draft digital strategy in the form of an online survey (with an option to provide feedback by telephone).
 - Schools will be involved in the consultation process on the draft digital strategy; and
 - The Council will share the draft digital strategy with PSB partners for comment.
- The Council's method for involving the diversity of the population is to include the Equalities Consultative Forum, staff diversity networks and members champion networks as part of the consultation on the draft digital strategy. The Council is also focused on not leaving behind the digitally excluded. As a result of its involvement activity, the Council must be prepared to potentially make changes to its strategic approach. Involving the diversity of its citizens in developing its strategic digital approach helps the Council to have assurance it is designing an approach that meets citizens' needs and is more likely to secure value for money.
- 17 The Council recognises the importance of collaborating effectively with the right partners on digital. The Council's annual self-assessment states that a key focus going forward is to 'work more collaboratively to identify and implement innovative solutions to deliver sustained digital transformation...' There are various references in the draft digital strategy to pursuing partnership working, but little on what this will mean in practice. There is an opportunity for the Council to explore further avenues of collaboration, such as joint commissioning, procurement or other sharing or pooling of resources. Collaborative procurement can enable partners to pool their resources and leverage their collective buying power to achieve better deals from suppliers while reducing costs and improving value for money. 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 taken steps to ensure resources are in place to take forward the digital strategy, although there is further work to do in respect of what savings may be made through implementing its digital strategy

- 18 The Council has allocated funding to help it take forward its strategic approach to digital. There is a £1.524m digital reshaping reserve and money has been set aside to recruit to a new Head of Digital post. This demonstrates the Council's commitment to improving its strategic approach to digital.
- 19 The Council has not yet identified all of the savings it intends to make through its strategic approach to digital. A £27k savings target has been identified for 2023-24, but the Council hasn't yet identified any savings for future years. The Council recognises the importance of this and has included a Key Performance Indicator (KPI) in its draft digital strategy of 'Monitoring the cost savings achieved through the implementation of digital processes'. It is important for the Council to do this to help it to monitor and evaluate the costs and benefits of implementing its digital strategy from a value for money perspective.
- 20 There are examples of the Council allocating resources to deliver better outcomes over the long-term. The Council's annual self-assessment refers to investment in upskilling its staff digitally. The draft digital strategy includes plans for further developing this. The Council is taking action on its digital inclusion agenda, with examples given in the annual self-assessment. For example, a £19k grant funding to support digital inclusion initiatives for veterans. Although the Council recognises that it has more work to do to take forward its plans for renewing its IT infrastructure. Considering how resources can be best deployed to deliver benefits over the longer-term is an important element of arrangements to secure value for money.

The Council does not monitor progress of its strategic approach to digital and there are weaknesses in the performance measures the Council intends to use in future

- 21 The Council is not currently monitoring and reviewing progress of its strategic approach to digital. Once the draft digital strategy goes live, the Council intends to set up a Digital Programme Board. In the interim, the Strategic Insight Board is overseeing the development of the draft digital strategy. Monitoring the achievement of objectives for both the Council's strategic approach and individual digital projects is important to understand the impact of the Council's investment in digital, and therefore of arrangements to secure value for money.
- 22 The Council does not currently have measures that help it to monitor its strategic approach to digital. However, the draft digital strategy sets out some KPIs that the Council has developed to help it to measure the success of the digital strategy. The

KPIs mainly focus on outputs (e.g. take up of digital channels) as opposed to outcomes. The KPIs do not always align with the success measures or the strategic objectives. Some of the success measures in the draft digital strategy lack baseline data - for example, there are references to lowering staff attrition rates but without clarifying what the current position is. Without measures that enable the Council to fully understand the impact of its investment in digital or the wider contribution that the digital strategy is making across its own, and partners', objectives it will be difficult for the Council to assess and monitor the value for money of its strategic approach.

The Council has reviewed its previous digital strategy and is committed to reviewing its new strategy, but it's not clear at this stage how any lessons learned from the implementation of its new digital strategy will be shared

- 23 The Council has reviewed its previous strategic approach to digital. In 2021, the Council commissioned a digital maturity assessment. This included an analysis of the previous digital strategy and various SWOT² analyses. The Council then built on that work by commissioning SOCITM to help develop its new draft digital strategy. The Council is also committed to reviewing its forthcoming digital strategy. The draft strategy states that it will be reviewed after the first year of operating and as required following that. However, it's not clear how the Council intends to share lessons learned. Reviewing the effectiveness of its strategic approach and learning and sharing lessons from this (both internally and externally), can help the Council to improve the effectiveness and value for money of its approach in future.

² Strengths, Weaknesses, Opportunities, Threats

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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