

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 14 September 2021

TITLE	Digital Transformation Programme (DTP)	
Ward(s)	None	
Author: Simon Oliver	Job title: Director, Digital Transformation	
Cabinet lead: Cllr Craig Cheney	Executive Director lead: Mike Jackson	
Proposal origin: BCC Staff		
Decision maker: Cabinet Member Decision forum: Cabinet		
Purpose of Report:		
<ol style="list-style-type: none"> To seek Cabinet approval for the proposed Digital Transformation Programme approach. To provide cabinet with an overview of the proposed Digital Transformation Programme and the necessary expenditure to conclude the IT Transformation Programme (ITTP) and to progress with a new Digital Transformation Programme that will include completing work to address legacy issues with the Council's telephony provision and website. To provide Cabinet with an overview of the proposed spend from the Digital Transformation Reserve in the 2021/22 financial year. 		
Evidence Base:		
<ol style="list-style-type: none"> Digital Transformation will change the way the council approaches the delivery of services to citizens by enabling the council service areas to develop an innovation culture that uses modern technology and approaches to meet the need of Bristol citizens. This report sets out the work is required in order to progress with the Digital Transformation Programme. The DTP will fundamentally change how the council operates. By using new technologies, changes can be made in a 'fail fast' or 'win quick' approach; enabling an iterative and innovative mindset to change service delivery – building on what is successful and quickly adapting where improvements can be made. Funds of up to £3.7m were made available for Digital Transformation activity through the creation of a Digital Transformation reserve. The potential scale of savings from the DTP, based on the initial analysis undertaken by the Strategic Partner, are £1.3m pa (core IT budget) and £4m pa respectively (third party spend). However, further due diligence work is now required in order to provide greater assurance regarding their deliverability. This work will be carried out through the development of Full Business Case, as set out elsewhere in this report. In order to progress with the Digital Transformation Programme several projects need to be undertaken. Table 1 sets the indicative costs for this programme below. 		
Table One: Digital Transformation Indicative costs:		
	2021/22	2022/23
	£	£

Business Case and Strategy Development To Date (Committed)	94,000	
Data & Insights Development (Committed via OED)	330,130	
Adoption & Change (Committed))	273,139	
ITTP Remedial / Residual Resourcing (Committed)	481,206	63,932
Project Tooling, Programme Delivery and Further Development	618,022	202,674
Website Re-Platform	131,000	
External Partner: Discovery & Development	300,150	
External Partner: Telephony & Contact Centre	570,000	
Total new/ chargeable costs:	2,797,647	266,606
Optimism bias adjustment / contingency (20%)	559,529	53,321
Totals	3,357,176	319,927
		3,677,103

7. The Digital Transformation Programme is the next step following the completion of the Council's IT Transformation Programme (ITTP) in March 2021. In order to progress with the DTP, work continued post-ITTP closure on three workstreams alongside continued delivery of an Adoption & Change Management function, and for which resourcing cost has been covered from IT Base Budgets to date. Total cost, including contingency, pertaining to this work is c£1.491m.
8. The following three delivery workstreams will continue past the ITTP-closure date of 31st March 2021 and that will be included in this scope of work:
 - I. Windows 10: The completion of replacing/package software applications to enable colleagues to receive new Windows 10 devices. This includes the procurement and allocation of Windows 10 devices. It should be noted that delays have been experienced due to COVID, changes in organisational usage and the number of legacy applications which are not Windows 10 compatible.
 - II. Sharepoint Migration: The completion of movement of corporate data from network drives (on-premis hardware) into cloud-based storage to improve resilience and information management. This work is anticipated to go beyond the current 2021/22 financial year, as stated in the financial overview. It should be noted that delays have been experienced due to operational risks in relation to moving the data, and re-assigning access rights and retention policies.
 - III. MIM/AD: The Council's 'Active Directory' of active IT users is partially out of date, and we need to ensure it is updated, and then kept up to date via a data exchange with the Council's HR system. When users leave, or change roles, there permissions are updated accordingly. This replaces current manual processes. Delays have been experienced due to prioritisation of work within IT and HR teams and the delivery of the HR & Worker Index.
9. The work streams outlined above will help prepare the ground for the Digital Transformation Programme alongside other high priority activity including the replacement and development of the council's telephony systems and the re-platforming the council's website.
10. The council's current telephony technology is aging and unable to integrate with new technology the council has invested in such as Teams Calling and MS Cloud Telephony. New technology will better enable a 'hybrid' working approach with council officers being able to participate in conference calls and online meetings with a good user experience regardless of their location or equipment.
11. In particular this work stream will focus on the Contact Centre (CSC) phone system which increasingly unreliable and suffers from outages and does not meet the needs of future channel-shift strategy.
12. In addition to this, a project will be delivered to 're-platform' the council's website to address reliability issues. Currently, citizen-facing online forms are using aging technology which is expensive and is time-consuming to maintain. At present residents need several different user accounts to interact with different council services via its website. The replacement will support citizen-facing functionality and enable a single user account per resident.

13. Replacing the front-end of the website with a capable but low cost, open-source Content Management System (CMS) will achieve rapid improvements to the look and feel of the website, and our ability to review and rationalise content. The current website functionality is delivered via several third-party add-ins and custom-built applications. The project would replace these with functionality built upon, and supportable through, our standard platforms based on Microsoft. Not undertaking this work would result in an increasingly unreliable and insecure website, an increase in customer dissatisfaction, as well as an increase in support/maintenance time and costs.
14. The council has committed to funding the development of Business Cases and Financial profiles to support the scope of work within this proposal, via external consultant resource. In addition, to provide expert advice regarding potential remedial activity within the Customer Services, external consult resource has been procured.
15. To effectively deliver the proposed work within 2021/22, as well as build the wider proposal for the Digital Transformation Programme 2022/23 onwards, an effective delivery team will need to be established.
16. Each project within the Digital Transformation Programme will be subject to a Full Business Case which will be assessed by the Council's Digital Transformation Board and approved by Executive Director for Resources in consultation with the Cabinet Member for Finance, Governance and Performance.
17. The scale of resource has been anticipated at the highest level, and actual spend will be determined by the project documentation presented to the Digital Transformation Governance Board.
18. The Digital Transformation Governance Board will ensure that all projects that fall within the Digital Transformation Programme are supported by Full Business Cases that have clearly defined outcomes and benefits, alongside known costs. All investments will deliver a quantifiable positive impact ensuring the reasoning for the project is understood and agreed. This will be assured using the processes and governance stated by Change Services colleagues, and only with approval from the Executive Director for Resources with the Digital Transformation Governance Board.
19. As part of the Governance and Assurance of this scope of works, alongside the need for some of the activities herein, this work and wider Digital Transformation Programme will fully adhere to the commitments made within the ITTP Audit Report.
20. Terms of reference of the Digital Transformation Board can be found in appendix A. All project delivery including EqIA assessments, Business Case and Financial Planning, Benefits Realisation will be overseen by the Digital Transformation Governance Board with representation from Internal Audit, Finance and Change Services colleagues in attendance providing full assurance against corporate standards and decision pathways. Projects will only progress once they have been subject to a Full Business Case that has been approved by the Executive Director for Resources in consultation with the Cabinet Member for Finance, Governance and Performance.

Cabinet Member / Officer Recommendations:

That Cabinet:

1. Approve the series of works outlined in the report to enable the Digital Transformation Programme to progress.
2. Authorises the use of Digital Transformation Programme allocated reserve of up to £3.7m to deliver Digital Transformation activity identified in table 1 in the 2021/22 and 2022/23 financial years. financial year.
3. Authorise Executive Director for Resources in consultation with the Digital Transformation Governance Board to oversee the Digital Transformation Programme in accordance to the Terms of Terms of Reference in appendix A.
4. Authorise the Executive Director for Resources in consultation with the Cabinet Member for Finance, Governance and Performance and Director for Digital to take all steps necessary, including entering into necessary agreements and procuring and awarding any relevant contracts, including those which meet the Council's key decision threshold, to deliver the Programme as agreed in recommendation 2.
5. Note that all decisions which are taken which meet the Council's Key Decision threshold will be reported to Cabinet for information.

Corporate Strategy alignment:

1. Continue the delivery of IT Solutions that underpin the way we work as a Council, and collaborate with Partners

2. Continue to reduce costs through decommissioning legacy applications and hardware which have an ongoing cost or maintenance burden
3. Continue to drive Digital Skills within the organisation through Adoption and Change Management approach

City Benefits:

1. As the leading Smart City in the UK Bristol citizens and users of our services rightly expect a digital experience comparable to other areas of their lives. For many people accessing services online, outside of office hours is often the only way to get things done in today's busy world. This doesn't mean that those citizens who can't or don't want to access services online should be left behind, quite the opposite. Excellence in digital service delivery frees up staff to be able to spend more time answering phones and conducting face to face meetings in order to support people more effectively.
2. As described in our Corporate Strategy the way in which the council will interact with its citizens will need to change, delivering quicker and better outcomes, helping the council to be more efficient whilst making things easier for citizens.
3. Our digital ambitions have a critical part to play in achieving the future vision of a council that encourages inclusion, independence and enablement of all its citizens.
4. Our digital implementation plans over the next five years are carefully designed to achieve the right balance of minimising operations cost whilst maximising the quality and effectiveness of our services.

Consultation Details: N/A

Background Documents:

1. IT & Digital Strategy 2018-2023
2. ITTP Audit Committee Report – July 2021
3. Digital Transformation Governance Board – Terms of Reference (appendix A)

Revenue Cost	Up to £3.7ml	Source of Revenue Funding	Digital Transformation Reserve
Capital Cost		Source of Capital Funding	
One off cost <input checked="" type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

Finance Advice:

This report:

- Seeks approval for the proposed Digital Transformation Programme approach.
- To provide cabinet with an overview of the proposed Digital Transformation Programme and the necessary expenditure to conclude the IT Transformation Programme (ITTP) and to progress with a new Digital Transformation Programme that will include completing work to address legacy issues with the Council's telephony provision and website.
- To provide Cabinet with an overview of the proposed spend from the Digital Transformation Reserve in the 2021/22 financial year.

Table one of this report sets out the overall cost and indicative projects costs of £3.357m including a 20% contingency for the 2021/22 financial year and £0.320m including a 20% contingency for those projects spanning into 2022/23 the financial year. The total indicative cost is £3.68m inclusive of a £0.613m contingency (20%) which can be funded from the Digital Transformation reserve of £3.7m.

Costs for the individual projects within the programme are indicative, as paragraph 15 sets out the scale of resource has been anticipated at the highest level, and actual spend will be determined by the project documentation presented to the Digital Transformation Governance Board.

A clear governance process is set out whereby the Digital Transformation Governance Board will ensure that all individual projects that fall within the Digital Transformation Programme are supported by Full Business Cases that have clearly defined outcomes and benefits, alongside known costs.

Projects will only progress once they have been subject to a Full Business Case that has been approved by the Executive Director for Resources in consultation with the Cabinet Member for Finance, Governance and Performance.

There no financial savings identified relating to this specific report request, if there are any these will be identified in the individual project Final Business Cases presented to and signed off at the Digital Transformation Governance Board.

The wider Digital Transformation Programme will also fully adhere to the commitments made within the ITTP Audit Report.

Finance Business Partner: Bev Winter, Senior Finance Business Partner -Strategic and Financial Management.
1/09/2021

2. Legal Advice: The procurement process related to delivering the Digital Transformation Programme must be conducted in line with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the conduct of the procurement process and the resulting contractual arrangements. It is noted that some contracts may exceed the key decision threshold and authority is being sought for the Executive Director in these circumstances.

Legal Team Leader: Husinara Jones, Team Leader/Solicitor 6 September 2021

3. Implications on IT: The scope of works proposed will put the Council in a good place to determine the scope, costs and savings achievable from a full Digital Transformation Programme undertaken from 2022/23 onwards. Several risks pertaining to IT base budgets and completing remedial/residual works will be mitigated. This utilises allocated funding in an appropriate and assured manner, via the Digital Transformation Governance Board.

IT Team Leader: Simon Oliver. 23 August 2021.

4. HR Advice: This proposed investment should be used to offer development opportunities to current staff, bolstered as necessary by specialist external input. Actions relating to budget pressures will be taken in line with the Council's Managing Change Policy.

HR Partner: James Brereton (HR Business Partner), 6th September 2021

EDM Sign-off	Mike Jackson	6 th September 2021
Cabinet Member sign-off	Cllr Craig Cheney	6 th September 2021
For Key Decisions - Mayor's Office sign-off		6 th September 2021

Appendix A – Further essential background / detail on the proposal Terms of Reference for Digital Transformation Governance Board.	YES
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	NO
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	No
Appendix J – HR advice	NO

Appendix K – ICT	NO
Appendix L – Procurement	NO