Digital Strategy Review – Isle of Anglesey County Council

Contents

Report summary

Exhibit 1: report summary

The exhibit below summarises the reason we undertook this audit, our key findings and recommendations for Isle of Anglesey County Council (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   The Council does not have a current strategic approach to digital or an approved digital strategy or equivalent. The absence of a strategic approach means that the Council is unable to demonstrate that it is planning over an appropriate timescale, informed by relevant considerations and the involvement of stakeholders. It also means that the Council has not considered the resource implications of its approach to digital over the short and longer term and has not developed measures to monitor progress in implementing it.

Our recommendations for the Council

R1 Strengthening the evidence base

To help ensure that its next digital strategy is well informed and that its resources are effectively targeted, in developing its strategy the Council should draw on evidence from a wide range of sources, including

- involving stakeholders with an interest in the digital strategy as well as drawing on the views of stakeholders from existing sources;
- the objectives and strategies of other public bodies, and identifying opportunities to collaborate;
- further analysis of current and future trends (see our audit criteria for Q.1.1 and Q1.2 in **Appendix 1** for some examples of what this might include)

R2 Identifying resource implications

To help ensure that its next digital strategy is deliverable, the Council should identify the short- and long- term resources implications of delivering it together with any intended efficiency savings.

R3 Arrangements for monitoring value for money

To be able to monitor the value for money of its next digital strategy, the Council should strengthen its arrangements for monitoring both its progress and impact over the short, medium and longer term.

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 Executive Committee Members and senior officers. The evidence we have used to inform our findings is limited to these sources. We undertook this work during June 2023.

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 is currently preparing a new corporate digital strategy which is due to be approved later this year. The previous digital strategy covered the period 2017-21 and was extended to cover the period up until April 2022.

8   The digital schools' strategy spans 2022-24 and seeks to address the hardware and infrastructure issues for the Island's schools.

9   In the absence of a current strategy the Council have a 'business partner' model whereby all but one of the services have a contact point in IT. This is used as a vehicle for two-way communication on the services' digital requirements and potential digital capabilities. The Council have informed us that the Strategic Digital Plan will be subject to its usual performance management and monitoring arrangements.

What we found: the Council does not currently have an effective strategic approach to digital

The Council has not drawn on a wide range of evidence sources to help inform its digital strategy

10   The Council's understanding of the current situation is focussed on digital as an alternative and additional method for contacting the Council and accessing services rather than as a potential method of addressing root causes of issues. Having seen increased take-up of digital channels, the Council are expecting a shift in this direction but are aware that customer preference will require a continuation of telephone and face-to-face channels too.

11   There is a limited understanding of the long-term factors that will impact the Council's digital strategy and the challenges and opportunities that may result. The Council has mainly identified short or medium-term factors that will affect how customer-facing services could be improved. The Council's Destination Management Plan for 2023-28 notes that there are digital transformation opportunities but not what they could be. By limiting its use of digital as a means for residents to access services, the Council may miss opportunities to use digital to address root causes of current and future problems and balance the need to meet short and longer-term objectives.

12   There is limited evidence to show that the Council is planning over an appropriate timescale. The timeframe for the Council's next digital strategy is yet to be decided;

there is some concern around committing to digital schemes which may not have longevity. A strategy period of five years has been tabled to correspond with the length of the latest Council Plan but due to the expected radical changes in digital developments, the Council is also considering producing a high-level policy document with annual delivery plans. The digital schools' strategy spans 2022-24 and does not address the long-term cost implications of replacing hardware. The Council has not set out measures or milestones for its digital school strategy to help monitor its short and long-term impacts and value for money. The absence of these measures or milestones makes it difficult for the Council to be able to assess the value for money of the strategy.

The Council recognises the importance of aligning its digital strategy with other key documents, but it is too early to assess if this will result in an integrated approach

13   As the Council was developing its digital strategy when we undertook this review, it is too early to comment to what degree it will be aligned with its other corporate plans and strategies and those of other bodies. However, the Council recognises that its next digital strategy needs to be aligned with its other key corporate plans.

14   We note that during the transition period after its previous digital strategy expired, the Council used a scoring matrix with weightings for considerations such as

- relevance to council plan and well-being objectives;
- a reduction in failure demand; and
- compliance with the Well-being of Future Generations Act;

to decide which digital projects should be prioritised by the IT team. Key staff note that a similar matrix might form a part of the next high-level strategy.

15   The Council wishes for its next digital strategy to align in principle to timelines set out within a range of other public bodies' digital strategies. At the point of fieldwork however, the Council could not demonstrate how it has sought to integrate its work with that of partner organisations. Aligning the Council's digital strategy with its well-being objectives, other plans and strategies and those of other public bodies would reduce the risk of duplication and help to identify opportunities to deliver multiple benefits.

The Council has not identified the stakeholders it needs to involve in the development and delivery of its next digital strategy

16   The Council has not identified the range of stakeholders that it needs to involve in designing and delivering its next digital strategy. At this point, before a draft has been produced, the Council is also not able to demonstrate that it is effectively involving the full diversity of people affected by its digital strategy. We understand that the Council's next digital strategy will focus on enhanced customer experience and contribute towards achieving its new customer charter, but it is not clear if the Council will consult on its strategy or any projects once it is developed.

17   The Council's own review of its digital approach found that digital is not the favoured method of communication for some. The Council is at risk of allocating resources inappropriately by not seeking the views of prospective users on the reasons for this.

18   The Council has not conducted a mapping exercise to identify different stakeholders with an interest in the development and delivery of its next digital strategy. Not involving citizens and other stakeholders in developing the Council's strategic approach, or the delivery of it, risks designing approaches that do not meet citizens' needs and therefore do not secure value for money.

The Council has not identified the long-term resource implications of its next digital strategy

19   The Council has not yet calculated the long-term resource implications for its next digital strategy, though view them as a significant financial challenge in the context of wider financial pressures. The amounts calculated and set aside to realise digital projects' short to mid-term aims are listed within other key documents since the previous strategy expired. The Council expect the next digital strategy's annual delivery plan to support the Council Plan of which only the first year, 2023-24, was costed. The service delivery plans list the forecast expenditure up until 2025-26 but are based upon 2023-24 prices.

20   Whole life costs for the digital schools' strategy are only partially addressed within the Capital Strategy. the Council has adopted a principle that an unspecified 'sum' is allocated in the capital programme each year to fund the major improvement to, or the replacement of, existing IT equipment and that a bid will be submitted prior to 2029 to replace network hardware.

21   The Council has not considered how it could allocate resources to deliver better outcomes over the longer term. For example, investing in digital technology that might incur significant up-front costs but realise efficiencies and improved outcomes over the longer-term. Considering if and how Council resources could best be deployed to deliver benefits over the longer term would help it demonstrate that it is applying the sustainable development principle. It is also an important element of arrangements to secure value for money.

There are weaknesses in the Council's arrangements for monitoring progress

22   In the absence of a strategy, the Council is monitoring and reviewing progress of individual digital projects in terms delivery to time and within budget and which well-being objectives they contribute to. This is set out within the quarterly scorecard monitoring report to the Executive Committee. Monitoring arrangements for the Council's next are yet to be confirmed. The interim process for selecting projects emphasised the long-term benefits from a value for money perspective but it is unclear how this will be reviewed once projects are selected for delivery. The HR system was cited as a long-term value for money investment as the

specification noted that its flexibility made it easier to adapt for future requirements should they change.

23   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.

The Council reviews the effectiveness of its strategic approach to digital but arrangements for reviewing its digital schools' strategy have not been fully implemented

24   The Council's Technical Team reviewed the lessons learnt from the 2017-21 IT Strategy (extended to 2022) and prepared a report to the Leadership Team. The conclusion was that the aim of offering digital channels to contact the Council had been achieved but that the back-office systems had not yet been transformed.

25   The covering paper for the Digital Schools Strategy 2022-24 states that an annual progress report and a review of the strategy will be completed. It also states that quarterly summary reports on the actions, outcomes / impact, highlighting successes and issues would be provided, however this has not happened in practice apart from the two measures for actions and a statistical report on the use of the HWB platform at an internal steering group.

26   In the absence of a draft digital strategy, the Council cannot demonstrate which methods will be in place for reviewing the effectiveness of its next digital strategy. Completing and sharing post implementation reviews could also help the Council assess whether it has achieved its original aims and learn lessons to improve future projects.

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?
	
	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)?
		• 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:
		  – 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:

Level 2 questions	Level 3 questions	Criteria
		– 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.
2. Does the Council have a clear vision of what it wants to achieve through the use of digital technology?	2.1 Is the Council planning over an appropriate timescale?	• 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).
	2.2 Has the Council thought about the wider impacts its digital strategy could have, including:	• 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

	• 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)?
		work with that of their colleagues from across the Council and with partner organisations.
		• 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:
		  – 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.

	2.3 Is there a wide and common understanding of what the Council is trying to achieve?	• 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
3. Is the Council working effectively with the right people and partners to design and deliver its digital strategy	3.1 Has the Council identified who it needs to involve?	• 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.
	3.2 Is the Council effectively involving the full diversity of people affected by its digital strategy?	• 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.
	3.3 Is the Council collaborating effectively with the right partners?	• 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: – 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
4. Has the Council resourced delivery of its digital strategy so it can deliver long-term/ preventative benefits?	4.1 Does the Council understand long-term resource implications?	• 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.
	4.2 Does the Council allocate resources to deliver better outcomes over the long-term?	• 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: – 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?	• 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?	• The Council regularly reviews the effectiveness of its digital strategy including:
		  – 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?	• 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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