Digital Strategy Review – Caerphilly County Borough Council

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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 does not currently have a strategic, costed, approach to digital that is informed by a wide range of evidence sources, including views from the full diversity of those affected. In the absence of this the Council is unable to demonstrate how it is monitoring the overall impact and value for money of its approach.

Our recommendations for the Council

Develop a strategic approach to digital

R1   To ensure that the Council's strategic approach to digital enables it to demonstrate that it has proper arrangements to secure value for money the Council should develop a strategic approach to digital based on a good understanding of current and future trends. This should:

- Set out the cost of delivering the strategy and any intended savings
- Set out how the impact and value for money of the strategy will be monitored and how any lessons learned will be shared
- Take account of the views of the full diversity of those with an interest in the strategic approach
- Take account of how the strategy will impact on the Council's objectives and those of other public sector bodies and the national well-being goals, including opportunities to work collaboratively

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.

5   We undertook this review in July 2023.

Why we undertook this audit

6   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.

7   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

8   The Council's previous digital strategy was incorporated into its Customer and Digital Strategy 2019-23 which came to an end in 2023.

9   The Council also had an ICT strategy 2019-23. This strategy had a focus on the Council's internal systems, infrastructure and processes that would underpin its digital strategy.

10   Both the Digital Strategy 2019-23 and the ICT Strategy 2019-23 are being reviewed alongside its Corporate Plan and other strategies. At the time of our fieldwork a new digital strategy was due to be finalised in the latter part of 2023.

What we found: The Council does not currently have a strategic approach to digital

The Council does not have a clear strategic vision for digital

11   At the time of our fieldwork the Council was at very early stage of developing its next digital strategy. A digital leadership group, made up of senior Council officers across service areas, has been tasked with overseeing the development of the Council's new digital strategy. However the group had not met to develop the digital strategy and the Council had not articulated its overall strategic approach to digital.

12   In the absence of a strategic approach there is a risk that the Council could duplicate work across service areas, and with partners, and miss opportunities to deliver multiple benefits and therefore improve value for money.

13   Once the Council has a clear vision for digital it will be important for the Council to communicate this internally and externally to ensure there is a wide and common understanding of what the Council is trying to achieve.

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

14   The Council has not drawn widely on external data sources to inform the development of its next digital strategy. The Council has worked with multiple external providers and partners to help deliver its previous strategy. The Council also worked with consultants in developing solutions around some digital and ICT projects.

15   The Council has drawn on internal data, including internal reviews and service usage patterns, remote contact, front-line delivery, support services, and internal information, insight and intelligence.

16   The Council also has a good understanding of its current digital infrastructure. This has been informed by a review of its internal ICT infrastructure and digital connectivity, and an Integrated Impact Assessment of its Information, Communication Technologies (ICT) Strategy for Digital Services 2021-23.

17   This helped inform the Council's understanding of the long-term digital needs of its communities, and the potential socio-economic benefits of developing its ICT infrastructure and internet access across those communities.

18   However, the Council has not engaged with the full diversity of its communities in developing its next digital strategy. By not considering a wider range of evidence sources the council risks developing a strategic approach that does not meet the needs of its communities and therefore does not provide value for money.

The Council has not identified the stakeholders it needs to involve in the development and delivery of its next digital strategy and has not engaged the full diversity of those who would be affected by its strategy

19   The Council has not identified the range of stakeholders that it needs to involve in designing and delivering its next digital strategy.

20   The Council is engaging citizens who might be digitally excluded and those considered hard-to-reach. For example, through its community hubs and library buildings. The Council is also involving its citizens to help identify and understand the needs presented through those community hubs. This information can support the development of its digital strategy. However the Council is unable to demonstrate that it is effectively involving the full diversity of people affected by its digital strategy.

21   Some collaborative work does take place with police and health partners, through local projects such as community hubs, and this helps to support access to digital for service users. However, the Council has not conducted a full stakeholder mapping exercise to identify other partners it should involve in developing and delivering its digital strategy.

22   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 level of resources needed to fund its next digital strategy to deliver long-term benefits

23   In the absence of a digital strategy, the Council is not able to cost the long-term resource implications, including the anticipated cost-benefits, of its strategic

approach. The Council does however anticipate that digital projects will deliver savings over the longer-term including for example in relation to licensing, and use of hand-held devices in street cleansing services.

24   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.

The Council has not yet put in place arrangements to monitor the impact and value for money of its next digital strategy

25   The absence of a costed strategy makes it difficult for the Council to be able to monitor the costs and benefits of its strategic approach to digital including the contributions it would make to its own or partnership objectives. As a result, the Council cannot have assurance that it is delivering value for money.

26   Some of the Council's existing digital projects including to support the Council's waste strategy review, do have monitoring arrangements in place. Whilst monitoring the delivering of individual projects is important, it does not provide an overview of the progress and impact of delivering the Council's strategic approach overall.

27   Monitoring the delivery and impact of Council's strategic approach and individual digital projects is important to understand the value for money of the Council's investment in digital.

The Council has not routinely captured and shared lessons learned from its strategic approach to digital

28   The Council's digital leadership group is in place partly to review the effectiveness of its previous digital strategy. However, at the time of the fieldwork, the digital leadership group had not met to discuss the development of a digital strategy and no review had therefore taken place to understand the outcomes and impact of the previous strategy.

29   The Council has not reflected on its previous digital strategy to establish what it had achieved and what it had set out to achieve. It has also not formally captured and shared lessons learned from its previous strategy . By not routinely sharing lessons, the Council risks missing opportunities to improve processes, outcomes, and its arrangements to secure value for money.

30   The Council learned lessons through its response to Covid-19, with its digital response crucial to maintaining service delivery. These lessons helped reshape and expand its transformation programme. The Council undertook ten corporate reviews and engaged service users through its resident survey, 'Caerphilly Conversation'. While this learning influenced and impacted the Council's current service delivery, including an increase in digital and online provision, it is too early

to evaluate how the Council will apply this learning to the future direction of its digital strategy.

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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