# Digital Strategy Review – Torfaen County Borough Council

# Contents

# 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    The Council has developed a digital strategy but it is not fully costed. While the strategy is aligned with the Council's plans and national well-being goals, it does not align with the well-being objectives of partners. The strategy remains uncosted, impacting the ability to assess its value for money. Additionally, monitoring progress and impact is not adequately addressed, and there is a lack of routine evaluation and sharing of lessons learned. The Council did not fully engage with the full diversity of the population during the strategy development.

**Our recommendations for the Council**

**Identifying resource needs**

R1    To help ensure that its digital strategy is aligned with available resources the Council should identify the short and long-term resources implications of delivering it together with any intended efficiency savings.

**Arrangements for monitoring and review**

R2    To ensure it better understands the impact of its digital strategy and progress in delivering it over the short, medium, and long-term the Council should strengthen its arrangements for monitoring and reviewing the delivery of the strategy

**Strengthening engagement opportunities**

R3    To help ensure that its resources are effectively targeted the Council should strengthen engagement with the full diversity of those who have an interest in the delivery of its strategic approach to digital.

# 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. We undertook this work between March and May of 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.

5       We undertook this review in June 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 Digital First Customer Strategy 2023-26 was approved by Cabinet in May 2023. Prior to this the Council had drafted both customer and digital strategies, but these had not been adopted.

# What we found: The Council has developed a digital strategy but it is not fully costed and there are weaknesses in arrangements to monitor and review its delivery

**The Council used a range of information to inform its digital strategy but it did not engage with the full diversity of the population**

9  The Council drew on a broad range of information from internal and external sources to develop its digital strategy. The Council considered a wide range of data to understand the factors likely to impact on its digital strategy both now and in the future. This included national survey data from Welsh Government, health related information, residents survey feedback data collected by Torfaen County Borough Council, and local complaints data. The Council also drew on its own workforce data, recognising the need to have a digitally capable workforce. For example, the Digital First Customer Strategy 2023-26 recognises that only 49% of staff feel they receive enough training to make best use of technology and software, with a target set to increase this to 70% by 2026.

10  During the development of its previous Digital Strategy 2021-23, the Council engaged with a range of internal services and external organisations including neighbouring councils on service design. This information was used to inform the Digital First Customer Strategy 2023-26.

11  Drawing on a wide range of data to understand the current position and likely future trends strengthens the Council's ability to develop a strategic approach that will meet the needs of stakeholders and deliver value for money.

12    However, the Council did not involve the full diversity of the population. The Council developed 'Customer Personas' as a deliverable, which was aligned to the digital strategy to help inform future service redesign work. These personas were developed using teams across the Council and were informed by internal and external data sources, including National Survey for Wales 2018-20, Residents Survey 2021, Census data and 'Call Torfaen' 2021-22 data. The personas would help to analyse the typical customer journey and reflected the typical needs of customers who would access services, providing the Council with useful insight to help it understand the service user experience and perspective, and could be used to help shape future service design and delivery.

13    The Council carried out a range of engagement activities, including with town and community councils, 50 plus forums and the public. But it did not engage with a diverse range of groups, including those who are traditionally hard-to-reach and those who share protected characteristics. As a result, the Council is not able to demonstrate that it fully involved the diversity of the population to get a robust understanding of the challenges of its citizens and communities.

14    Not involving the full diversity of those with an interest in the development and delivery of the digital strategy risks the design of approaches that do not meet the needs of citizens nor will deliver value for money.

## The Council's digital strategy aligns with its other plans and strategies and the national well-being goals, but it has not considered its impact on the well-being objectives of its partners

15    The Council's Digital First Customer Strategy 2023-26 has clear ambitions with links to its Well-being Objectives. The Council has undertaken an Integrated Impact Assessment to demonstrate the strategy's contribution to each of the National well-being goals. For example, one of the four work streams of the Council's net zero carbon plan is 'digitalisation' to reduce carbon, and the digital strategy's wider impact assessment notes an ambition for the strategy to provide better access to data insights and smart technology.

16    The Council's digital strategy aligns with its County Plan which links to the Gwent Wellbeing plan and the Wales Digital Strategy. However, the Council has not considered how its digital strategy can contribute across the well-being goals of its partners. Aligning its strategy with its own plans and strategies and those of other public bodies reduces the risk of duplication and helps to identify opportunities to deliver multiple benefits.

17    The Council is collaborating in delivering elements of its digital strategy, such as its digital infrastructure development, through its involvement in the Shared Resource Services (SRS). The SRS sharing technology services include digital platforms, resources, digital support for staff and information across some of the Gwent

region. The Council receives monthly monitoring and evaluation reports on the SRS service, helping to monitor its performance.

18      Collaborating can help the Council identify opportunities to secure value for money in the delivery of its digital strategy. Monitoring the effectiveness of any partnership arrangements into is also an important part of arrangements for the Council to assure itself that it is securing value for money.

## The Council has not costed its digital strategy which limits its ability to monitor the value for money of its approach

19      The Council has not costed its digital strategy in the short term, and the longer-term resources required to deliver it have not been identified. There is no budget information in the strategy or delivery plan and the Council recognises that either invest to save or redistribution of money will be needed for delivery of the strategy. The Council has identified some savings within the first year of the digital strategy delivery, which amount to approximately £230k relating to digital transformation and procurement. But it has not identified intended savings for future years. The Council intends to develop business cases and apply for grant funding but has not yet allocated resources to meet its ambitions. As a result, it is difficult for the Council to be assured that its strategy is achievable within the three-year timeframe. The absence of costings also makes it difficult for the Council to monitor the value for money of the strategy. 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.

20      The Council has considered what long-term means in the context of its digital strategy and recognises the pace at which the digital environment changes. Its Digital First Customer Strategy 2023-26 covers a three-year period with annual delivery plans to be established for each year. The annual delivery plans provide flexibility to be reactive to changes in the digital environment within the framework of the Digital First Customer Strategy 2023-26.

21      The Council's Digital First Customer Strategy 2023-26 contains examples of how it has applied the sustainable development principle in its long-term thinking. For example, developing the Council's website content and its automated assistance service such as chat bot, automated payments and queue messaging. In the long-term, the Council hopes that the increased accessibility for service users will reduce queries coming into the Council and make the website more user-friendly. This is an example of longer-term thinking where the Council is investing to deliver benefits over the longer term.

## There are weaknesses in the Council's arrangements for monitoring the progress and impact of its strategic approach and it does not routinely evaluate its approach or share lessons learned

22    The Council does not have arrangements in place to monitor the overall effectiveness of the Digital First Customer Strategy 2023-26. The 2023-24 Annual Delivery Plan has actions, performance measures and quarterly deadlines with a responsible officer. However, it is not clear how the progress and impact of the strategy overall will be monitored over the long-term. The Council is developing a Communities and Delivery Board to monitor progress of the overall programme and projects within it, however at the time of our fieldwork this was not established. Monitoring the progress and impact of the strategy overall is an important part of arrangements to secure value for money and for the Council to know if the strategy is having the intended impact at the intended pace.

23    The Council has not yet established formal review mechanisms for the annual plans which underpin its Digital First Customer Strategy 2023-26. The Council learned lessons from the Covid-19 pandemic, including the increased demand for online engagement and the low digital skills among staff. This resulted in more engagement activity being delivered online. This learning was embedded into the Council's Digital First Customer Strategy 2023-26. However, formal arrangements are not yet in place to share lessons learned from the implementation of the digital strategy. By not routinely sharing lessons, the Council risks missing opportunities to improve processes, outcomes, and its arrangements to secure value for money

# 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? | • 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:<br> – service sustainability/resilience and resourcing challenges.<br> – the needs of citizens and communities.<br> – the underlying causes of current demand/issues to be addressed.<br> – 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.<br>• 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 |
|  | 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 |
|---|---|---|
| | | (eg National Principles for Public Engagement in Wales, Future Generations Commissioner for Wales advice and guidance). <br>• The Council uses its evidence base effectively to: <br>– 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; <br>– 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). <br>• 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). <br>• 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. <br>• 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). |

| Level 2 questions | Level 3 questions | Criteria |
|---|---|---|
| | 2.2 Has the Council thought about the wider impacts its digital strategy could have, including:<br>• how it could contribute to each of the seven national well-being goals?<br>• how delivery will impact on the other things it is trying to achieve (ie its well-being objectives and wider priorities)?<br>• how delivery will impact on other what other public bodies are trying to achieve (ie their well-being objectives)? | • The Council has considered how its digital strategy can make a contribution across the well-being goals.<br>• Staff developing the digital strategy understand what colleagues and partners do and how their work relates, and have sought to integrate their work with that of their colleagues from across the Council and with partner organisations.<br>• 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.<br>• The digital strategy is aligned with other strategic intents such as:<br>– customer experience;<br>– management of demand/reductions in demand failure and prevention; and<br>– design and implementation of new service delivery models.<br>• 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.<br>• 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.<br>• 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.<br>• 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:<br>  – sharing or pooling expertise and resources;<br>  – sharing information;<br>  – 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.<br>• 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.<br>• 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:<br>– where this may limit the ability to meet some short-term needs;<br>– 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.<br>• The Council is measuring the wider contribution the digital strategy is making across its own/partnership objectives.<br>• 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:<br>  – effectiveness of its collaborative activity;<br>  – effectiveness of its involvement activity, including the impact of the strategy on service users including those who are digitally excluded;<br>  – the impact of the strategy on those who share protected characteristics;<br>  – the economy, efficiency and effectiveness of the digital strategy overall in helping the Council to achieve its strategic objectives.<br>• 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. |

Audit Wales

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.