Digital Transformation Update

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1.0   Summary

1.1   The Audit Committee has received regular updates throughout the period of digital transformation. This report represents the culmination of the original four projects in the programme. This is not the end of the transformation journey, but it is a natural review point as to what further developments are required to continue the massive improvements in how we operate in the current uncertain environment.

1.2   Business World (ERP) has been live now since April 2019, most issues that were present at the launch have been resolved. Those that remain, some of which are technical, are scheduled to be resolved before the main contract with Methods ends in August.

1.3   Liquid Logic Adults and Children's modules were successfully launched are embedded into Social Work practice. More modules are being developed to further enhance system effectiveness.

1.4   Customer Experience Project, the Customer Relationship platform has greatly enhanced our capacity to reach the customer, through the telephony system and through MyShropshire.

1.5   Infrastructure & Architecture (I&A), and the projects under the umbrella of I&A, have underpinned all the DTP achievements and contributed enormously to our ability to work remotely, maintain safe and secure networks and to support the residents of Shropshire, especially the vulnerable, through the Covid-19 crisis to date.

2.0   Recommendations

2.1   The Audit Committee is asked to consider and approve with appropriate comment the content of this report.

REPORT

3.0 Background

3.1 Shropshire's ICT Digital Transformation Programme was approved by Council in July 2016. This programme had the stated desire to deliver services at the highest quality and lowest cost compared to other authorities in everything that it does. This included transforming IT systems, reshaping services and 'back office' functions, reducing costs, removing duplication, improving efficiency, reducing business continuity risk and enabling more effective service delivery across a rural geography.

3.2 Four project boards, were put in place to deliver the Digital Transformation Programme, covering the following areas:

- Enterprise Resource Planning (ERP) – Replacing legacy systems for Finance, HR and Payroll
- Customer Experience – Customer Relationship Management (CRM) and Call Centre solutions
- Liquid Logic (LL) – New Social Care solution for both Adults and Children's
- Infrastructure & Architecture (I&A) – Including improvements to Business Continuity/Disaster Recovery arrangements, Wi-fi, Data management, Document management, Agile working tools, Print management, Integration and reduction of applications.

3.3 The 'Digital Transformation Programme - Business Case Review/Benefits Realisation' paper considered by Performance Management Scrutiny Committee on 13th November 2019 detailed the original savings ambitions of the programme and the achievements made between 2016 to 2019.

3.4 The report went on to explain that, given the scale of the savings still to be delivered, the whole organisation needed to embrace and utilise the digital tools available to them to truly transform how the Council operates. Cashable savings were expected to come from:

- Enabling customers to do more for themselves online, reducing council workload
- Stripping out waste and non-value added activity from processes
- Improving productivity and releasing capacity in the organisation through the reallocation of work, workforce optimisation and better workforce practices (including Smart/Agile working supported by technology, enabling staff to be flexible, adaptable and responsive to change whilst reducing the reliance on office space)

3.5 One of the main benefits of the Digital Transformation programme, which could be considered less interesting but still vital in terms of what was to come with the pandemic, has been the fixing of legacy infrastructure, assets and process issues in terms of the ICT provision. Specific changes include:

- The training and implementation of the best practice IT management methodology of ITIL, for which the department recently won a national award praising their approach to continuous improvement
- The upgrading and proper implementation of a service desk tool (with a much-improved self-service portal soon to be added for staff and customers)
- The use of the customer service centre call and contact handling software, again professionalising the service as it was recognised the need to support staff digitally is vital
- The introduction of an integration hub to move the authorities (and external) data assets safely and securely between systems, including the ability to populate a data-warehouse for advanced reporting including predictive analytics and the use of artificial intelligence (AI)
- An improved project management and business analysis function to work through processes fully, leaving details of the changes for others to use in the future, supporting the move to a model of Continuous Service Improvement (CSI) for the authority
- The team also worked to deliver the foundations for supporting the ambitions of the 2020-2021 Workforce Digital Strategy (WDS), creating a methodology, work programme, Governance structure, team and processes for introducing tools such as Microsoft Teams with SharePoint and other, now vital, digital services
- An investment in our data centre to create a hybrid cloud and on-premise model for managing our infrastructure gave considerable control in terms of the upscaling and cost of our needs, saving what is likely to be notable sums compared to migrating fully to the cloud. This option was chosen after extensive investigations into the potential solutions found that a fully cloud service would have been considerably more expensive for Shropshire Council compared to the chosen hybrid model

4.0 Impact of Global Pandemic

4.1 We could not have known it at the time of that report, but the global Coronavirus pandemic that required staff and customers to stay at home from March 2020, required us to rapidly deploy technology solutions to ensure business continuity.

4.2 Although it can be noted the timing was more luck than strategic judgement (as few predicted the Covid-19 pandemic), the foundations that were set through the Digital Transformation Programme (DTP) and in preparation for delivering the commitments in the Workforce Digital Strategy (WDS) put us as Shropshire Council in a very strong position to respond digitally to Covid-19. Investments in our hybrid solution for infrastructure, our approach to managing IT issues with the best practice management methodology of ITIL and introductions of tools

such as Microsoft Teams & PowerBi, all supported the authority to respond at pace to the rapidly evolving needs of the authority's staff and those we serve.

4.3 Our investment in digital transformation over the last few years meant that the move to a virtual workforce was achieved with minimal disruption . Approximately 2,600 members of staff and our elected Members were enabled to work from home within five working days. Prior to the crisis, the usual daily 'working remotely' figure was in the region of 500 – 600 people.

4.4 The additional online traffic generated by more than 2,000 home workers has been met with an additional external cost of just £18,000, to date. It is important to note, this transition would not have been possible without the dedicated internal ICT team who have benefitted from the transformation programme with new skills and enabling technologies. These skills have benefitted both Shropshire Council and many of our partners as the authority works closely with the local NHS, sharing assets and knowledge to improve services.

4.5 Use of digital tools have been fundamental to business continuity during the crisis, with staff embracing technology now available to them to work in a different way (e.g. virtual meetings via MS Teams). Comparing January to April 2020, the uptake in these tools was stark:

Office 365 Technology	Jan 20	Apr 20
MS Teams – Active users	900	2,500
MS Teams – Meeting Participants	131	1,988
One Drive – Active users	964	1,576
SharePoint – Active users	1,345	2,414
Email – Average P/P Sent, Rec'd, Read	1,244	1,713

4.6 The potential financial benefits in the way that staff have been working since March are considerable, with activity and costs down in the following areas:

- Reduced Staff Mileage Claims – Claims down by 49% in the period April to June 2020, compared to the same months in 2019 (down from £339,952 in 2019 to £172,071 in 2020 – both figures include externally funded expenditure).

- Reduced Staff Travel costs (e.g. bus, train, parking etc) - Claims down by 85% in the period April to June 2020, compared to the same months in 2019 (down from £37,308 in 2019 to £5,707 in 2020 – both figures include externally funded expenditure)

- Although less easy to calculate, the time saved travelling to and from meetings will be of note – particularly when the geographic area of the county is considered

- Reduced Printing/Copier costs – Copy volumes are down from 2 million copies in March 2019 to 752,000 in March 2020. Print volumes will have dropped significantly further during April and May 2020 with staff away from offices.

- Reduced Accommodation costs - Shropshire Council has the capacity to accommodate 2,010 members of staff in its 18 key office buildings. The three largest buildings are Shirehall, Mount McKinley and Ptarmigan. Prior to the crisis, these three buildings accommodated 1,380 people and cost £1.36m per year to run. In July 2020, Council took the decision to develop a new, smaller, more cost-efficient civic hub to replace the Shirehall by 2023. One of the key reasons that this move has been possible is the development and use of technology by staff to work from home and in the community, meaning less office space is required.

- With a shift to digital mailroom we are beginning to understand the post requirements, both incoming and outgoing, and are working towards reductions in these areas. A notable immediate difference is the efficiency of the mass scanning of incoming post using an industrial machine as this saves staff time in the scanning of documents.

- Year-on-year cost savings as a result of home working (supported by digital) these figures cover the whole of the corporate landlord estate:

Electricity Costs

	2019	2020
April	£81k	£51k
May	£77k	£48k

Gas Costs

	2019	2020
April	£26k	£12k

4.7 Further work is underway to fully understand the sustainability of home and community-based working and the financial and productivity benefits that this brings. Feedback from the recent Staff Survey confirmed that:

- 68% of staff using online tools/phone to contact people they would usually have visited.
- 87% of staff have the technology to work from home
- 86% of staff said technology has been useful in allowing them to work differently.
- 87% said they are able to collaborate with others online
- 69% are overall positive about IT access
- 67% said the experience of meetings and interactions this way was positive.

4.8 This feedback points to a huge shift in employee's use and experience of using our new digital tools. It also means that staff are spending less time travelling to face to face meetings, thereby saving on both the cost of travel and gaining additional time back. If we had not had the IT infrastructure and tools available during the pandemic then productivity would have been significantly, negatively

impacted and therefore unable to work as effectively as the organisation has done over the last 4 months.

4.9 A final notable shift has been the adoption of technologies we hoped to introduce over the coming years that have been adopted at considerable pace. PowerBi, the Microsoft business intelligence tool, is a notable example of a technology a handful of staff were using that has become a staple of our working worlds. A notable example has been the use of PowerBi to present current data on PPE stocks for the Shropshire, Telford and Wrekin Health and Social Care system – an implementation that was much needed and applauded for its pace and abilities.

5.0 Staff Wellbeing

5.1 Due to COVID 19 lockdown, the plans for Mental Health Awareness week (w/c 18th May) were reviewed and the focus turned to supporting staff using technology. Webinars relating to stress management were rolled out to staff by Shropshire MIND. Computer lock screens were used to promote internal support services, including Occupational Health and access to counselling support. The staff intranet wellbeing pages with Frequently Asked Questions were updated.

5.2 Weekly live guided meditation sessions on Microsoft Teams from 30th April 2020. Between 11 and 21 staff have attended these sessions. The first of a series of recorded sessions is now available to download from the newly created section on Wellbeing page specifically related to wellbeing ideas to help support during Covid-19.

5.3 Weekly podcasts were delivered from one of the Mental Health First Aiders covering mental health topics such as anxiety and depression and a recent Q&A session - all geared towards support during lockdown. Ten podcasts have been recorded. As of 1st June, 58 staff have accessed these podcasts.

5.4 Instructor Live website was made available free to staff from end of April 2020 – to date 94 staff members have signed up. This includes health and fitness videos and support.

6.0 Financial Implications

6.1 The original budgets set out in the 18th May 2017 Council paper, DTP did not spend £3,000,000 and there remains a small amount of contingency funding

7.0 Climate Change Appraisal

7.1 The impact of the DTP programme has the ability to considerably reduce our use of resources (paper, fuel, energy) and so if we continue to build on our lockdown experience and permanently change behaviour, it will be a significant contribution to our carbon reduction target.

8.0 Conclusions

8.1 Without the investments made in technology since 2016, Shropshire Council would not have been able to function as effectively from 23rd March 2020 when the lockdown began.

8.2 Using the technology and our data assets, we were able to develop important data sets quickly, allowing teams to respond at pace to the needs of the most vulnerable in our communities. The investment also enabled the authority's democratic process to continue, with meetings including Full Council moving to online platforms and allowing .

8.3 The investments made in our digital infrastructure, staff, training and applications made it possible for us keep frontline and support services working remotely, and under incredible pressures. Full credit should be given to every member of staff across the authority who not only addressed the needs of those we serve professionally and with great compassion, staff worked to adopt technology at pace to ensure they could continue to support those in need. These have been difficult times for everyone, but the pace of change cannot be underestimated and staffs willingness, often eagerness, to adopt technology in order to help those we serve has been admirable and should be recognised at every opportunity.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information) Digital Transformation Programme - Business Case Review/Benefits Realisation 13th November 2019
Cabinet Member (Portfolio Holder) Councillor Lee Chapman
Local Member N/A
Appendices None