Digital Strategy Review – Pembrokeshire County Council

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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 is in the process of finalising its Digital Strategy 2023-26, building on the work it has completed under previous IT Strategies. The Council's draft strategic approach has been based on a good understanding of its current and future trends, informed by a broad range of information. It is aligned with the Council's other strategic goals and the Council is planning over an appropriate timescale. The Council has completed very effective engagement at an operational level on the digital projects it undertakes. The Council is clear on maintaining a multi-channel approach for its residents to reduce the risk of digital exclusion.

5   The Council could further strengthen its arrangements through engaging with the public, explaining the strategy's wider impact, listing required resources,

identifying savings and efficiencies, developing partnership working, and monitoring benefits. Whilst the draft strategy contains key objectives, outcomes and actions, it does not contain targets or milestones.

Our recommendations for the Council

Involvement with stakeholders

R1   To better understand the needs of citizens and the potential barriers to them using digital technology, the Council should involve citizens directly in developing its digital strategy.

Aligning the digital strategy with other public bodies

R2   To avoid duplication and identify opportunities to deliver multiple benefits, the Council should ensure the digital strategy aligns with the wider public sector. To help achieve this, the Council should clarify how it contributes to the Seven National Well-being Goals and how it impacts on the well-being objectives of other public bodies.

Approach to collaboration

R3   To strengthen its arrangements to secure effectiveness, efficiency and economy through partnership working in delivering its digital strategy, the Council should:

- map out which organisations it needs to work with;
- identify and assess opportunities to collaborate; and
- develop arrangements to monitor the effectiveness and value for money of any partnerships it enters into

Resources

R4   To ensure the strategic approach to digital delivers long-term benefits, the Council should:

- identify the resources the strategy requires;
- complete a workforce plan for its ICT Service; and
- identify the savings and efficiencies the strategy intends to deliver over the short, medium and longer term.

Monitoring benefits

R5 To better understand the impact of its digital strategy, monitor value for money, and asses if identified benefits have been realised, the Council should:

- identify targets and milestones;
- develop arrangements to monitor and assess the outcomes from digital projects; and
- develop arrangements for identifying and sharing lessons learned from digital projects.

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 review between April and July 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 has drafted its Digital Strategy 2023-26 and is in the process of finalising and approving it. The Strategy's vision is to invest in people and technology, improve customer experience, increase digital services, and provide resilient and efficient ways of accessing Council services.

8   The Strategy has four strategic priority areas:

- Digital Services – develop and implement easy to use, accessible and modern digital solutions to streamline the delivery of services. Solutions will be designed around the needs and requirements of the communities and businesses that the Council serves.
- Digital People – support employees to make the best use of tools and technologies; invest in developing and retaining in-house talent with clear career pathways and L&D opportunities; and enable employees to grow or maintain their digital skills by adopting a 'digital by design' approach.
- Digital Infrastructure – ensure Pembrokeshire is befitting from and leading the way in providing gigabit capable full fibre connectivity; work in collaboration with UK and Welsh Governments and regional partners under the Swansea Bay city Deal to maximise investment in digital infrastructure; and champion the use of the 'Internet of Things'.
- Digital Learning in Schools – develop a powerful digital learning landscape in Pembrokeshire where learners and staff feel empowered and confident to fully realise the potential of digital to enhance teaching and learning experiences.

9   This is the Council's first Digital Strategy. Prior to this it had an IT Strategy 2017-21 (reviewed and updated in 2018 and 2021), a Channel Shift Strategy 2019-22, and a Digital Declaration from March 2019.

What we found: the Council is developing its strategic approach to digital but has not yet clarified the resources required to deliver it or its monitoring arrangements, and there are weaknesses in its approach to partnership working

The Council is drawing on a wide range of evidence to inform its digital strategy but has not involved residents in shaping the overall approach

10   The Council is creating a vision for what it plans to achieve with digital. It has drafted its Digital Strategy 2023-26 but has not yet finalised it. The draft Digital Strategy builds on previous Information Technology (IT) and Channel Shift Strategies which had clear visions and objectives. Finalising the new Strategy would be the first step in enabling a wide and common understanding of what the Council is trying to achieve through its approach to digital.

11   The Council is planning over an appropriate timescale. It has considered what long-term means for its digital approach and drafted a three-year strategy to reflect the pace at which digital technology changes. The draft Digital Strategy contains examples of longer-term thinking, such as investing in digital infrastructure, developing digital skills, and working with regional partners to deliver the digital aspirations of the Swansea Bay City Deal. The Strategy's vision is also sufficiently wide-ranging to encompass a longer-term timescale. The Council, therefore, can show that its strategic approach includes planning for the longer-term, reducing the risk of short-term interventions that may provide less value for money over the longer-term.

12   The Council has considered the wider impacts of its digital strategy across its own organisation but has not yet considered how it impacts the objectives of other public sector bodies. The Council has clearly aligned its digital approach with its other strategic goals. A range of other strategies reference the need to focus on digital development and contain specific digital actions. The Council has developed its strategic approach to digital after reviewing a range of national strategies and consulting with professional bodies. The Council recognises its draft Digital Strategy does not refer to the National Well-being Goals for Wales. The Council has also not fully considered how the delivery of its digital approach will impact other public bodies. Aligning its approach with other public bodies and their objectives would reduce the risk of duplicating work and may identify opportunities to deliver multiple benefits.

13   The Council's approach to digital is based on a good understanding of its current situation and future trends. This has been informed by a broad range of information including:

- consultation with a range of national strategies, professional bodies, and fora.

- an annual self-assessment of the ICT Service as part of the Council's business planning process.

- an ICT management review to map exiting digital assets.

- service reviews completed by a team of business analysts to identify the 'as is' picture, issues, processes and barriers.

- internal and external reviews such as a WLGA-led Digital Self-evaluation the Internal Audit Service Review.

- reviews of demand pressures across a range of services, including the corporate contact centre, housing maintenance, social care, and finance.

- a review of threats and opportunities facing the ICT service and the implementation of digital contained within the ICT Service Plan.

- discovery workshops to 'deep dive' into services to understand current processes, issues and how new technology could provide future benefits.

14   The Council has not involved residents in shaping its overall strategic approach to digital. It has involved residents at a project level to inform and shape the direction of individual projects. Involving citizens in shaping the strategic approach would help it better understand the range of needs and identify potential barriers. In completing this activity, the Council should ensure it involves the full diversity of views, including representatives of groups who shared protected characteristics, those from non-traditional sources, and those it may have previously failed to reach.

15   The Council is clear that it will not remove or downgrade traditional means of interaction for residents as it expands digital services. The Council will maintain a range of communication options such as telephone and face-to face. The Channel Shift Strategy identified the need to consider the digitally excluded and recognised the challenge of providing services on digital platforms for Welsh speakers. The public library service provides help and signposting to those citizens who need it and/or do not have access to equipment. The Council also highlights the need to upskill its own staff as well as residents'. Offering multi-channel communications will impact the resourcing requirements of the digital strategy but helps the Council reduce the risk of digitally excluding residents.

The Council has not considered all opportunities for partnership working and does not monitor the effectiveness of existing partnerships

16   The Council recognises the need to collaborate with partners to deliver its digital strategy. Collaboration is one of six principles identified in the draft Digital Strategy and previous versions of the IT Strategy strongly emphasised the need for partnership working. The ICT Service Plan identifies the need for the service to work with internal and external partners, and key improvement actions state if they contribute to collaboration as one of the WFG Five Ways of Working. The Council is working with Hywel Dda Health Board (creating a brokered network for Social Care and Health) and the Swansea Bay City Deal (improving digital infrastructure and connectivity).

17   However, the Council has not completed any formal stakeholder analysis to identify who it needs to work with. Mapping out who it works with, who it does not work with, and how it could work with others would assure the Council it has identified all relevant opportunities for partnership working.

18   Where it works with partners, we found no evidence to explain how the Council was monitoring the effectiveness of those partnerships. Monitoring effectiveness would be an important part of the Council's arrangements to assure itself it achieves value for money in the work it does.

19   We found no evidence of the Council entering into partnerships for the purpose of achieving economies of scale in procuring digital technology or creating shared posts. Collaboration of this sort would potentially allow partners to pool resources and leverage collective buying power to achieve better deals from suppliers, whilst reducing costs and improving value for money.

The Council has not identified the level of resources needed to fund its digital strategy to deliver long-term benefits

20   The draft Digital Strategy does not state the resources required to deliver it or any intended savings it intends to deliver. However, the Council has recognised the importance of resourcing digital transformation and prioritised funding for its ICT Service. For example, the ICT Service's annual revenue budget is £4.4m and it manages significant annual capital budgets. Identifying the resources required to fund the digital strategy would allow the Council to see if its plans were realistic and were able to deliver long-term benefits.

21   The Council is willing to invest now to deliver long-term efficiencies and benefits. It recognises investing in new technology would make services more efficient and provide savings. For example, the Council recognises the shift to cloud-based systems will increase revenue spend for each service but potentially increases resilience and performance. Some investments in digital have laid the foundation for future developments such as the phased digitisation of the Housing Service, the

expansion of the My Account platform, and upgrading network infrastructure. This demonstrates the Council is considering sustainability in its digital approach.

22   The ICT Service faces recruitment and retention issues which could impact the Council's ability to deliver its digital strategy. The Council is aware of risks associated with staff capacity and potential single points of failure in its ICT workforce. However, the ICT Service has not yet developed a workforce plan. Having a workforce plan would ensure the Council's digital approach is supported by the right people, with the right skills, in the right place, at the right time.

23   The Council sets out the costs of digital projects, but it does identify any intended savings from them. The sample of digital projects we looked at as part of this review described how they intended to increase service effectiveness but did not explicitly consider savings that could be made. Identifying intended savings from digital projects and the strategy as a whole and monitoring their achievement is a key element of monitoring value for money.

The Council's arrangements for monitoring its digital strategy are underdeveloped and its approach to monitoring the value of money of projects is variable

24   The draft Digital Strategy does not yet have targets or milestones in place. It contains a vision and four strategic priorities. Each priority lists the key objectives and outcomes for 2023-26 and provides a list of actions. However, these actions do not have targets, deadline dates, or milestones. The absence of this information makes it difficult for the Council to be able to monitor the delivery of its digital strategy.

25   The Council's approach to monitoring costs and benefits is variable. The Council identifies the costs and benefits of digital projects up front but does not always evaluate delivery of the benefits. Business cases for digital projects list a wide range of potential benefits, but officers we spoke to were unclear about how or when these would be evaluated. We did not see any evidence of formal value for money monitoring. This makes it difficult for the Council to assess if it had achieved the aims of the project, evaluate if projects provided value for money, and identify lessons to inform future projects.

26   The Council has reviewed the effectiveness of its previous IT strategies to inform future strategies and its draft Digital Strategy. Each new strategy lists the achievements from the previous version and the intended outcomes for the new one. Reports taken to Cabinet and Scrutiny Committees have also explained what the priorities of the strategy were; show what the strategy has delivered; list what is holding the Council back; and identify a way to move forward. This has enabled the Council to assess the impact of its digital approach and amend as necessary.

27   The Council does not have a formal process for sharing the lessons it learns from the implementation of its digital strategy. Project teams discuss lessons on a project basis but do not capture or share these formally. The ICT Service

completes a self-assessment when writing its annual Delivery Plan. However, it does not share this learning with the rest of the organisation. By not sharing lessons learned from its digital approach, the Council is possibly missing opportunities to improve ways of working, outcomes and 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' (i.e., 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:
		  – 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, e.g., social, economic/political, environmental, cultural or technological. They might include known trends e.g., ageing population, depleting natural resources and particularly technological advances. They might also include those with a higher level of uncertainty e.g., jobs and skills needed in the future.

	1.2 Is there a thorough understanding of the long-term factors that will impact and the challenges and opportunities that may result (e.g., risks and opportunities)?	• 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

Level 2 questions	Level 3 questions	Criteria
		(e.g., National Principles for Public Engagement in Wales, Future Generations Commissioner for Wales advice and guidance). • The Council uses its evidence base effectively to: – 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 – i.e., 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	• The Council has considered how its digital strategy can make a contribution across the well-being goals.

Level 2 questions	Level 3 questions	Criteria

	digital strategy could have, including:
	• 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 (i.e., its well-being objectives and wider priorities)?
	• how delivery will impact on other what other public bodies are trying to achieve (i.e., their well-being objectives)?
		• 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.
		• 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.

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.