

Digital Strategy Review – City and County of Swansea

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Report summary

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 has a clearly articulated strategic approach to digital that is informed by a good understanding of current and future trends and is understood by key elected members and officers. It also has comprehensive arrangements to assess and monitor the impact of its digital approach and the value for money. The Council also understands the wider impact of digital and works collaboratively to help deliver its digital aspirations. The Council reviewed its previous digital strategy, but this was not a formal review and members did not receive its outcome.

Our recommendation for the Council

Strategy review benefits

- R1 When the Council conducts future reviews of its digital strategy, to help ensure it learns from the reviews and shares this learning widely the Council should:
- determine if it had sufficient and appropriate information at the outset to determine the value and benefits of delivering the strategy overall and individual digital projects;
 - assess whether digital projects were delivered on time, to cost with perceived benefits being realised and identify any barriers preventing successful delivery of projects;
 - review the timeliness of its monitoring and reporting of progress to assess if emerging risks and issues were highlighted earlier enough for officers to deliver mitigating actions; and
 - review the effectiveness of the governance arrangements for its digital strategy to ensure they effectively support its delivery.

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 in June 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 In April 2023, Cabinet approved the Council's current digital strategy 2023-28.
- 8 The Council's vision for digital as stated within the strategy is for the Council 'to use digital technology to improve people's lives, to enable digital access to services 24 hours a day, and to improve operational efficiency'.
- 9 This vision is supported by six digital strategic goals:
1. Excellent Customer Service aligned with our service standards
 2. People focused digital services
 3. Resilient digital infrastructure and systems
 4. Accessible data that supports communities and council performance
 5. Digitally skilled and confident workforce and communities
 6. A digitally connected city and county
- 10 The Council has allocated an initial £2 million to support delivery of its digital strategy.

What we found: The Council has a clear vision for its approach to digital and is developing comprehensive arrangements to support the delivery and monitoring of its digital strategy

The Council used a wide range of different sources to inform its digital strategy

- 11 The Council considered an extensive range of current data and likely future trends when developing its digital ambitions resulting in a good understanding of its current situation. The Council's strategic digital approach was informed by:
- the National Survey for Wales 2021-22 results;
 - the Office of National Statistics data on access to the internet, internet usage and technology devices;
 - the demographic profile of Swansea and how it might change in the long term and the potential impact on the Council's digital approach;
 - the Older People's Commissioner for Wales guidance issued in November 2021 on – 'Ensuring access to information and services in a digital age';

- risks and opportunities highlighted in the Council's Digital Service service plans; and
 - public consultation.
- 12 The Council is also agile in its thinking in how services may need to evolve in the longer-term. The Council's use of data and intelligence to identify future, potential long-term trends, strengthens the Council's ability to evolve its approach to meet future demands and opportunities.
- 13 The Council consulted the public to inform its digital strategy. This included diverse sectors of the population, for example, the over 50s forum, a Welsh Language forum, Poverty forum and Disability Liaison group. The Council analysed the data and consultation responses to inform its final digital strategy. Through its analysis, the Council identified the importance of retaining traditional means of communication, such as face-to-face and telephone options as it expands online services. The Council wants to ensure the methods of accessing and communicating with the Council are flexible, so residents are not limited to one route. By involving the diversity of its citizens in developing its strategic digital approach, helps the Council to have assurance it is designing an approach that meets citizens' needs and is more likely to secure value for money.

The Council has a clear digital vision and is planning to deliver its vision over an appropriate timescale

- 14 The Council is several years into its digital transformation journey. The Council began its digital transformation in 2015. The priority at that time was ensuring the County had the right digital infrastructure for internet capacity and capability. The digital projects currently being scoped and delivered are a result of the improvements to the digital infrastructure.
- 15 The County has improved its digital infrastructure since 2015, and so its vision has also evolved to 'use digital technology to improve people's lives, to enable digital access to services 24 hours a day, and to improve operational efficiency'. This vision is set out in the Council's 2023-28 digital strategy. The Council has communicated this vision across the organisation and is understood across services and among key Elected Members. This means there is a wide and common understanding of what the Council is aiming to achieve.
- 16 The Council has considered what is an appropriate timescale for its digital strategy. The Council has adopted a five-year timeframe to reflect the change and pace of digital technology evolving. The timeframe for the current digital strategy aligns with corporate planning and the electoral cycle. However, the vision and digital strategic goals will be delivered over a longer-term as will the digital strategy's eight outcomes. The Council intend to review the strategy's progress in 2028 and use this learning to inform the next iteration of its strategic digital approach.

The Council understands the wider impact of digital and works collaboratively to help deliver its digital aspirations

- 17 The Council is committed to aligning its digital approach with partners. A Digital Transformation Board oversees the digital strategy and this Board forms part of the Council's wider corporate transformation programme. The digital strategy clearly aligns with 'Delivering a Successful and Sustainable Swansea' (The Council's Corporate Strategy 2023-28), in particular with the Council's wellbeing objective of 'Transforming our Economy and Infrastructure'. Digital transformation is one of the priorities supporting the Council's delivery of this well-being objective. Including digital transformation within the Corporate Plan raises its profile and its importance for the Council in delivering its wider transformation programme that has the potential to improve service efficiency and effectiveness for its workforce and service-users.
- 18 There is clear alignment between the Council's Workforce Strategy and Plan 2022-27 and the Digital Strategy. The Workforce Strategy has a role to deliver improved digital skills and confidence and the Council's Asset Management Plan 2021-2025 refers to using digital technology to implement the Council's Agile Programme. The Council view digital as a key enabler in achieving other Council priorities.
- 19 Through analysing data and understanding current rates of digital exclusions, the Council is committed to reduce exclusion rates. This commitment aligns closely with the Public Services Board action to reduce digital exclusion. In addition, the digital strategy aligns with the City Deal digital programme business case and the Council considered the Welsh Government Digital Strategy for Wales in its consideration of its own digital ambitions and priorities. At the time of our fieldwork, while the Local Health Board had not yet finalised its digital strategy, the Council has representation on the relevant Health Board working group tasked with producing it. Consideration of other stakeholders' digital intentions and alignment of internal and external strategies can help the Council in sharing of resources, avoid duplication of efforts and help to identify opportunities to deliver multiple benefits.
- 20 The Council developed critical success factors based on the five ways of working of the sustainable development principle to help it assess whether the benefits and outcomes of its digital transformation programme will be realised. In addition, the Council has considered how the digital strategy can contribute to the national wellbeing goals. This strengthens the Council's ability to measure the impact of its strategic approach.
- 21 The Council values partnership working in delivering its digital strategic ambitions. The Council's annual review of performance 2021-22 details many different collaborative activities with other councils in the region, the private sector and the third sector to improve digital connectivity, digital infrastructure, digital inclusion, and digital skills. The digital strategy refers to partnership working for example through the City Deal and with education partners. The Council also has a constructive collaboration with a Business Improvement District. This partnership

recognises each organisation's skills and expertise, and is working together to develop a product that it hopes will jointly benefit both businesses and the public.

- 22 The Council is a key partner in the Swansea Bay City Deal's Digital Infrastructure Programme and the partnership works collaboratively to assist each other deliver its digital transformation strategy as well as supporting economic growth and improving social inclusion. Working in partnership can result in a sharing of knowledge, expertise and/or resources that can lead to better outcomes whilst also improving value for money.

The Council has allocated resources to deliver its digital strategy and has arrangements to assess the costs, benefits and risks

- 23 The Council views digital as a key enabler of change for driving transformational improvement and has allocated £2 million to help fund delivery of its strategic digital approach. The Council allocated this amount based on the end of financial year balance from the Council's Restructuring Reserve. The Council has also used this reserve to fund other aspects of its wider transformational programme, so the rationale as to why the Council allocated this amount for digital is unclear. While allocating specific funding for digital transformation demonstrates the Council's commitment and recognition of its importance, the current source of funding from a reserve's balance may fluctuate over time. This could lead to services being unclear on the future availability of funding resulting in potential uncertainty from services to develop future digital projects, particularly for services unable to secure external sources of funding.
- 24 The Council has set up a structured approach to assess the costs, benefits and risks for each digital project requesting funding. Services that submit plans to the Digital Transformation Board must include estimated costs, any Medium-Term Financial Plan savings, expected benefits and project risks. To assess each digital project, the Council developed a robust scoring criteria to determine which digital projects to financially support within the overall funding available. In June 2023, the Digital Transformation Board considered the first tranche of projects. The Board considered 21 projects with 6 receiving financial support to deliver the digital projects over the medium-term. For those digital projects not approved for the £2m digital fund, there are other sources of funding, such as the Housing Revenue Account and Education Fund, therefore will still be delivered.

There are comprehensive arrangements to assess and monitor the impact of the Council's digital approach and the value for money

- 25 The Council has established comprehensive arrangements that should provide a basis for it to effectively monitor individual digital projects and its digital strategy. However some of the arrangements are new, or under development so it is too early to assess their effectiveness.

- 26 The Council set up a Digital Transformation Board to oversee the digital strategy and individual digital projects. The Cabinet Member for Service Transformation chairs the Digital Transformation Board. Each directorate is represented on the Board as well as officers from corporate functions such as HR, finance, and the digital team. Representation across Council services can reduce the risk of duplication of efforts, it can identify opportunities for different services to collaborate to deliver multiple benefits and ensure a common understanding of the Council's digital priorities.
- 27 The Digital Transformation Board will monitor progress and risks for all digital projects regardless of funding source, therefore providing corporate oversight of all digital transformation projects. As the Council has allocated funding for its first tranche of digital projects, at the time of our fieldwork, the Council was developing a 'benefits' tracker which the Digital Transformation Board will be responsible for monitoring. This oversight has the potential to help the Council to have a comprehensive view of all its digital transformation projects, identify areas of success, and projects not delivering to time or delivering intended benefits.
- 28 The Council has identified performance measures to support its digital strategy but currently these measures are not supported with baseline data, targets or timescales. At the time of our fieldwork, the Council were compiling a Programme Plan which should include greater detail on how the Council plans to deliver the different aspects of the strategy and by when. Without this detail, it will be difficult for the Council to monitor progress, achievement of its desired outcomes and to determine if it is securing value for money.
- 29 The Council does have information at an individual digital project level to be able to determine progress and value for money in the future. Services that submit digital project ideas to the Digital Transformation Board need to demonstrate alignments with the sustainable development principle, Council's digital strategy as well as:
- MTFP saving (with amount and by when);
 - identifying other funding opportunities;
 - non cashable benefits; and
 - whether the project directly improves customer service.
- 30 The Council has developed a robust scoring criteria to assess the merits of the individual proposed digital projects based on the above detail provided by services. The scoring criteria is comprehensive and designed to include several key components to aid decision making and consider the future outcomes of each project.
- 31 By requesting that services stipulate the costs and benefits of individual projects when requesting financial support, the Council has the information at the outset to assess and monitor the costs and benefits when monitoring progress.

The Council reviewed its previous digital strategy, but this was not a formal review and members did not receive its outcome

- 32 The Council reviewed the previous digital strategy to establish what it achieved compared to what the Council set out to achieve. This was not a formal review and Cabinet did not receive the outcome however, we recognise the previous strategy ended at the time when the Council's priority was responding to the pandemic. The review did not look at the wider arrangements in place at that time to oversee the monitoring and reporting of the previous strategy. However, the lack of a formal review has not prevented the Council from improving its arrangements to monitor and assess the current strategy, particularly arrangements to assess the costs and benefits of financially supporting the implementation of digital projects.
- 33 The Council is committed to learning lessons from delivering its current digital strategy. The Council intend to complete an audit of its Digital Strategy and Programme Plan in 2026 and review the strategy and produce an end of Programme closure report in 2028. Reviewing the effectiveness of its strategic approach, and learning and sharing lessons from this can help the Council to improve the effectiveness and value for money of its approach in future.

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?	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> – 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:
	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
		<ul style="list-style-type: none"> – 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.
<p>2. Does the Council have a clear vision of what it wants to achieve through the use of digital technology?</p>	<p>2.1 Is the Council planning over an appropriate timescale?</p>	<ul style="list-style-type: none"> • 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).
	<p>2.2 Has the Council thought about the wider impacts its digital strategy could have, including:</p>	<ul style="list-style-type: none"> • 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
	<ul style="list-style-type: none"> • 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)? 	<p>work with that of their colleagues from across the Council and with partner organisations.</p> <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> – 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.
	<p>2.3 Is there a wide and common understanding of what the Council is trying to achieve?</p>	<ul style="list-style-type: none"> • 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
<p>3. Is the Council working effectively with the right people and partners to design and deliver its digital strategy</p>	<p>3.1 Has the Council identified who it needs to involve?</p>	<ul style="list-style-type: none"> • 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.
	<p>3.2 Is the Council effectively involving the full diversity of people affected by its digital strategy?</p>	<ul style="list-style-type: none"> • 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.
	<p>3.3 Is the Council collaborating effectively with the right partners?</p>	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> – 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
<p>4. Has the Council resourced delivery of its digital strategy so it can deliver long-term/preventative benefits?</p>	<p>4.1 Does the Council understand long-term resource implications?</p>	<ul style="list-style-type: none"> • 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.
	<p>4.2 Does the Council allocate resources to deliver better outcomes over the long-term?</p>	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> – 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?	<ul style="list-style-type: none"> • 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?	<ul style="list-style-type: none"> • The Council regularly reviews the effectiveness of its digital strategy including: <ul style="list-style-type: none"> – 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?	<ul style="list-style-type: none"> • 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

1 Capital Quarter

Cardiff Cf10 4BZ

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.
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