



POLICY AND RESOURCES COMMITTEE

Tuesday, 21 November 2023

REPORT TITLE:	DIGITAL TRANSFORMATION PARTNER
REPORT OF:	DIRECTOR OF FINANCE

REPORT SUMMARY

Digital transformation supports a customer focussed, digital-first approach to customer experiences, business processes and operations. Digital transformation is about embedding and adopting technologies across the Council to drive change and deliver efficiencies.

On 1 December 2021, the Policy and Resources Committee approved the Strategic Change Programme that set out the Council's plans for delivering the objectives within the Wirral Plan and the required efficiencies to deliver the Medium-Term Financial Plan (MTFP). As detailed within the report for Policy and Resources Committee in December 2021, digital transformation is one of the key components of the Strategic Change Programme.

Since the approval of the Strategic Change Programme by the Policy and Resources Committee in December 2021 digital transformation has started across the Council but as part of the new Council Plan, IT and digital transformation will accelerate to further improve automation of processes and customer access.

This report seeks the approval of Policy and Resources Committee to progress with a competitive tender to procure a partner to support the acceleration of the IT and digital transformation. This partner will be referenced in this report as the Digital Transformation Partner.

The Digital Transformation Partner will work with all services across the Council to understand how they operate and identify opportunities for digitalisation to modernise the service and deliver efficiencies. These opportunities will be detailed in a business case and signed off by the Investment and Change Board (ICB) which includes all members of the Senior Leadership Team prior to any project being commenced.

The proposed action affects all wards in the Borough.

This is a key decision.

RECOMMENDATIONS

The Policy and Resources Committee is recommended to:

1. Authorise the Director of Finance in consultation with the Committee Chair and Group Spokespersons to commence the competitive commission of a Digital Transformation Partner for a period of up to 3 years with the option of two one-year extensions. The expenditure will not exceed £5m for the first 3 years.
2. Agree that delegated authority be given to the Director of Finance to appoint the successful bidder following the commissioning process.
3. Authorise the Director of Law and Governance in consultation with the Director of Finance to finalise the associated legal documentation associated with the commission.
4. Following appointment of the successful bidder, request the Director of Law and Governance, in consultation with the Committee Chair and Groups Spokespersons, to formulate options to oversee the work of the bidder and present a report to the Committee accordingly.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATION

- 1.1 The appointment of a Digital Transformation Partner will support the modernisation of services enabling them to be delivered in more effective and efficient way.
- 1.2 As part of the 2023/24 budget a saving of £3.0m was agreed over two years (£2.3m 24/24 and £0.7m 24/25) from the Enabling Service Review. Digitalisation and automation are a fundamental building block as to how this saving will be achieved. Transforming the way services are provided will also support the closure of any future budget gaps.
- 1.3 The council does not have the digital capacity or capability in house to support such a large transformation.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Not to appoint a Digital Transformation Partner has been considered but discounted as the Council does not have the capacity or the capability in house to support the work required around digital transformation.
- 2.2 To recruit staff to the council on permanent contracts to be able to fulfil the work. This option has been discounted on the basis that full time permanent posts are not required.
- 2.3 To engage external staff on short, fixed term or agency contacts as an when required. This option will provide the resources to deliver against defined deliverables but with the requirement to identify opportunities and the scale of change required, a partner with a breadth of skills is the preferred option.

3.0 BACKGROUND INFORMATION

- 3.1 Over the past few years the Council has increased its adoption of digital technologies to modernise services which directly link to the prioritise of the Wirral Plan or indirectly improve services for residents including:
 - 130,000 people have created a MyWirral account, providing a single front door to multiple online Council Services
 - Introduction of kiosks in OneStop shops to enable residents to have video calls with relevant Council services.
 - Integration of the Council IT and CCTV network, providing for increased network coverage across the borough enabling over 40 additional CCTV cameras to be installed without an increase in network costs. This integrated network is starting to utilise the Liverpool City Region Full Fibre Network (LFFN and now called the LCR Connect) in which the Council is a partner.

- Adoption of Microsoft Teams and other digital technologies to enable hybrid work which facilitates the reduction in council's physical office estate.
- Improved protection against Cyber Security attacks, for example the use of Multi-Factor Authentication, which further protects residents' information.

3.2 Digital transformation needs to be delivered on a secure, resilient, and compliant platform and the method of delivery needs modernising. Earlier this year, in conjunction with Microsoft, the Council implemented changes to ensure this foundation is in place. This includes:

- Adoption of an Agile methodology for the delivery of projects.
- Enhancement of the Council's Cyber Security technologies and internal capabilities
- Adoption of digital information governance features to help ensure the ongoing compliance of council information against regulatory requirements.
- Improving engagement with staff for the adoption of new digital technologies
- Modernising how the council delivers IT Service Management and increasing the governance around change management.

3.3 Over the next 4 years the Council faces significant savings that need to be found to enable a balanced medium term financial strategy. These savings will be achieved in numerous ways with digitalisation and automation being one of the highest value areas, with opportunities including:

- Automated data entry and case creation for current paper-based forms.
- Channel shift to online enabling staff and residents to self-serve, reducing the number of telephone contacts, while providing residents with a single integrated front door for Council services.
- Virtual assistants to sign-post residents to online information and services for repetitive queries, providing access 24*7*365.
- Automating of manual processes
- Increased integration of online forms with backend systems.
- Development of a data platform to support predictive analytics utilising Artificial Intelligence (AI).
- Introduction of smart city technologies to improve efficiency of services.

3.4 The scope of the tender will be to commission a partner to support the delivery of the digital transformation across the Council as the digital capacity and capability is not currently available within the Council. The successful partner will be utilised on a call-off basis as and when required within a specific scope to ensure costs are kept to a minimum.

3.5 The Digital Transformation Partner will be required to develop a business case for all projects that will require approval, prior to commencement of any work, of the

Investment and Change Board (ICB), which is made up of the Strategic Leadership Team (SLT). Where capital funding and Flexible Use of Capital Receipts (FUCR) are required, this will need approval of the Policy and Resources Committee and potentially Full Council.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There is currently a reserve established to fund digital transformation at a value of £1.566m. This will be used to fund part of the contract with the remainder being funded from capital, where appropriate and within the capital guidelines, and from capital receipts under the Flexible Use of Capital Receipts (FUCR) eligibility.
- 4.2 The cost of any work carried out under the proposed contract will be determined on a per project basis and detailed within a business case following an initial discovery stage and would be monitored in line with any agreed budget position.
- 4.3 Therefore at this stage, it is not possible to fully understand how much the cost of digital transformation will be. It is planned that the cost of any new IT systems to support the digital transformation will be funded from savings achieved through efficiencies.
- 4.4 Each project will have a benefits realisation plan to deliver on the benefits detailed within the business case. Progress of the delivery of these benefits will be monitored and, where cashable, will contribute to closing the budget gap.
- 4.5 The digital transformation will be incorporated into the ongoing service reviews within the Enabling Service Review programme of work. This will help ensure an overarching programme of work focussed on delivering a more efficient, effective, and accessible Council.

5.0 LEGAL IMPLICATIONS

- 5.1 The Digital Transformation Partner will be procured utilising a relevant procurement framework that will be agreed with the Council's Procurement team.

6.0 RESOURCE IMPLICATIONS; STAFFING, ICT AND ASSETS

- 6.1 There are no additional implications from the commissioning of this contract. Relevant advice and guidance will be provided as part of business as usual.

7.0 RELEVANT RISKS

- 7.1 Digital transformation is a fundamental part of the Council's strategic change journey to ensure it provides efficient and effective services to residents of Wirral. The way the council currently provides these services is not affordable. By not transforming the way we work, savings will not be achieved, and the budget gap will not be met.
- 7.2 All risks will be captured within the Digital Programme risk log or individual project risk logs and managed through the project and programme boards.

8.0 ENGAGEMENT/CONSULTATION

8.1 No engagement or consultation has been required and therefore not taken part in the request for this commission. SLT have been informed and have agreed to the commission.

9.0 EQUALITY IMPLICATIONS

9.1 Wirral Council has a legal requirement to ensure its policies and the way it operates to not discriminate against anyone.

9.2 Equality Implications will be assessed as part of the tender process and as part of any projects delivered by the successful bidder as part of the Strategic Change Programme.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 During the procurement process, bids will be evaluated on any social value added to the service. Bidders will need to consider and demonstrate how they can have a positive impact on Wirral's environment and climate.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 The Council encourages bids from local organisations that can fulfil the aspirations included within the Council's Community Wealth Building Strategy.

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APPENDICES

None

BACKGROUND PAPERS

- Change Programme report – December 2021:

<https://democracy.wirral.gov.uk/documents/s50083549/Change%20Programme%20PR%20Report%20Final.pdf>

- 2023/24 Budget Report:

<http://democracy.wirral.gov.uk/documents/g9535/Public%20reports%20pack%2015th-Feb-2023%2018.00%20Policy%20and%20Resources%20Committee.pdf?T=10>

- Enabling Services EIA

TERMS OF REFERENCE

This report is being considered by the Policy and Resources Committee in accordance with Section 1.2(f) of its Terms of Reference,

(f) undertake responsibility for developing and monitoring the enabling corporate services, including, finance and investment, project support and risk management, strategic procurement and commercial strategies, ICT, property and asset management, human resources and organisational development, law and governance, communications and public affairs, emergency planning and business continuity.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Policy and Resources Committee	1 December 2021
Policy and Resources Committee (budget)	15 February 2023
Full Council (budget)	28 February 2023