Report to Scrutiny

Item Number: 6

Contains Confidential Or Exempt Information	No

Subject of Report:	Developing Ealing's Digital Strategy – Overview
Meeting:	Scrutiny Review Panel 4 – 2016/2017: Digital Services 14 July 2016
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Cabinet Responsibility:	Cllr Yvonne Johnson, Portfolio Holder for Finance, Performance and Customer Services Cllr Peter Mason, Portfolio Holder for Prosperity, Skills, Employment and Transformation
Director Responsibility:	Kieran Read, Director of Strategy and Engagement Email: ReadK@ealing.gov.uk Tel: 020-8825 6395
Brief:	To consider the overview on the Council's proposed new Digital Strategy (which will be supplemented with a PowerPoint presentation at the meeting) and make recommendations accordingly.
Recommendations:	The Panel is recommended to: - consider and comment on the information provided on the development of the proposed new Digital Strategy; - identify areas for further review at future meetings; and - make suggestions for further improvements where necessary.

1.   Local Government Digital Opportunities

1.1   Over the past 15 years, technology has advanced rapidly, with companies like Amazon, Google, Apple and Facebook transforming the way people carry out their daily lives. Shopping, banking and interacting online have become the norm for many and as demand for high quality digital access rises, residents' expectations of local government digital services have soared.

1.2   It is widely recognised that developments in digital technology offer local authorities' new opportunities to improve customer service, save money and improve outcomes for residents.

1.3   The last Ealing Resident's Survey in 2014 found that 90% of households have access to the internet, and findings from Ofcom[1] published in 2015, suggest that the majority of people now prefer to access the internet through their smartphone with 66% of adults owning a smartphone (up from 39% in 2012) and using it for an average of nearly two hours per day to browse the internet, access social media, bank and shop online. The report found that the vast majority (90%) of 16-24 year olds own a smartphone; but 55-64 year olds are also joining the smartphone revolution, with ownership in this age group more than doubling since 2012, from 19% to 50%.

1.4   Despite the increases in internet usage, it is recognised that some key customer cohorts might not have the skills or access to internet services and that some sensitive services may not lend themselves to digital interaction. However there are ways of overcoming this issue with, for example, assisted digital services, face to face or by telephone.

1.5   Nationally, central government has seen a massive push to put its major transactional services online – benefits, tax, DVLA etc. Digital has rapidly become the norm for many interactions with both private and public bodies.

1.6   A recent report from the LGA[2] highlighted over 50 examples where digital technology has been combined with the intelligent use of customer insight and other complementary approaches such as demand management, lean systems thinking and collaborative approaches to procurement.

1.7   The key opportunities arising from the use of digital technology can be summarised as:
   - early intervention and prevention through joining up data and improved analytics;
   - empowering citizens, particularly through online and automation;
   - improving multi-agency working particularly around health and social care;
   - fraud prevention;
   - driving up productivity by re-engineering front and back office services;
   - getting more from digitally progressive suppliers.

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[1] Ofcom Communications Market Report August2015
[2] Transforming Local Government Services, LGA June 2014

1.8　　Central government produced its first digital strategy in 2012 and several local authorities have also produced digital strategies.

1.9　　The opportunity now exists for the council to redouble its efforts to consider how to incorporate the principles of world class customer experience into everything we do through the simplification of how we operate, encouraging residents to access services at a time convenient to them through the provision of 24/7 digital access.

1.10　　The potential savings from digital transformation are significant. In a report by Nesta entitled 'Connected Councils; a digital vision of local government in 2025[3]' proposes the following:

'If average savings from digitisation programmes can be replicated across local government, an average unitary council could save up to 13 per cent of its total budget by 2025.

Ambitious councils willing to transform everything they do (from procurement to how they organise) the potential saving could be much greater – up to 30 per cent according to some estimates'.

1.11　　At the same time, the benefits of digital go beyond the benefits to Ealing as a council:
- Households that are not connected to the internet are disadvantaged. According to national data "offline" households are missing out on estimated savings of £560 per year from shopping and paying bills online;
- Being online gives people more opportunities to search and apply for jobs. It is also estimated that between 75% and 90% of jobs require at least some computer use;
- Home access to a computer and the internet can improve children's educational performance. However, the ONS national data shows that while 99% of children in the richest 10% of households can access the internet via a computer, this dropped to 57% in the poorest 10% of households with children.
- Research by McKinsey states that businesses that harness the internet successfully grow around twice as fast as those that do not.

1.12　　The UK has also witnessed a huge growth in the digital tech industry[4]:
- The UK's Digital Tech Industries are growing 32% faster than the rest of the UK economy (in turnover)
- The estimated turnover of UK digital tech industries reached £161bn in 2014
- The Digital Tech Industries are creating employment opportunities and accounting for 1.56M jobs across the UK
- The UK's increasingly diverse range of digital skills and specialisms are also now thriving beyond the tech sector – 41% of Digital Tech Economy jobs exist in what are thought of as traditionally non-digital industries – such as the public sector and financial service

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[3] Report – 'Connected Councils; a digital vision of local government in 2025' – Nesta
[4] Report – 'Tech Nation 2016; Transforming UK Industries' – Tech City and Nesta

Ealing's Digital Strategy

1.13 In order to ensure Ealing is able to embrace the wide range of opportunities presented through digital, in October 2015, Corporate Board commissioned the development of Ealing's first digital strategy to support and enable the delivery of the Council's corporate plan priorities and values, to improve customer service and resident engagement, deliver value for money and to take advantage of the opportunities presented through digital for people who live, work in and visit Ealing.

1.14 For the purposes of this report and the Digital Strategy, the term digital refers to any technology that connects people and machines with each other or with information to create a meaningful experience.

1.15 The council is already making use of the opportunity that digital offers in a wide range of areas but believes that there is significant further potential.

1.16 A Digital Strategy Board was established to oversee the development of the strategy and has representation from all business areas across council. Keith Townsend, who was nominated by Corporate Board as the Digital Strategy sponsor, chairs the Digital Strategy board, with support from Strategy and Engagement to develop the strategy.

1.17 Following internal consultation and a literature review, the Digital Strategy Board agreed the draft set of aims for the digital strategy:

1. Digital Customer
- Transactions with the council are digital by default and offer the customer experience citizens expect in other sectors.
- Ealing captures the 'disruptive' power of new technology to deliver services and manage demand.
- Technology enables customers to do things for themselves – changing the way we deliver council services.

2. Digital Council
- The council turns data into information by creating a 'whole citizen' view and uses this data to improve services.
- Technology maximises the efficiency of staff and interactions with citizens.
- The council uses its online presence to communicate and engage with residents effectively.
- Our ICT procurement strategy enables delivery of the digital strategy and maximises value.

3. Digital Place
- All Ealing residents to have access to and know how to use digital technology.
- The council takes action to exploit the potential of digital to facilitate growth and job creation in the local economy.
- New developments are required to use digital technology to deliver council goals.

1.18   In line with best practice, and recognising that digital transformation is a complex and rapidly evolving field, in January 2016, Ealing's Digital Strategy Board initiated a Call for Evidence to guide the development of Ealing's first Digital Strategy. Additionally the Digital Strategy Board commissioned the engagement of an external consultant to act as a 'critical friend' to guide the development of the strategy. In April 2016, SOCTIM (Society of Technology Information Management) was engaged by Ealing Council in the capacity of a 'critical friend'.

1.19   The initial draft set of aims outlined above will be subject to review and refining throughout the development process. The development of the strategy is iterative and informed on an ongoing basis by best practice evidence, local knowledge, council priorities, input and feedback from SOCITM, ongoing consultation and input from the Scrutiny Panel.

1.20   A presentation will be given to the Scrutiny Panel on 14 July 2016 to provide a more detailed overview of the opportunities for Ealing around digital transformation, set out the development of Ealing's first digital strategy and provide a brief summary of the current status of Ealing with regards to Digital Customer, Digital Council and Digital Place.

2.   Legal Implications
None.

3.   Financial Implications
None.

4.   Other Implications
None.

5.   Background Papers
None.

Report Consultation

Name of Consultee	Department	Date Sent to Consultee	Date Response Received from Consultee	Comments Appear in Report Para
Internal				
Kieran Read	Director of Strategy and Engagement	01.07.16		
External				
None				

Report History

Decision Type:		Urgency item?		
Non-key Decision		No		
Authorised by Cabinet Member:	Date Report Drafted:	Report Deadline:		Date Report Sent:
N/A	27.06.16	05.07.16		04.07.16
Report No.:	Report Author and Contact for Queries:			
	Kate O'Connor Policy Officer Email: oconnork@ealing.gov.uk Tel: 020-8825 7446			