
Report To:	Policy & Resources Committee	Date:	21 March 2023
Report By:	Head of Legal & Democratic Services	Report No:	LS/029/23/IS
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Subject:	Digital Modernisation Programme		

1.0 PURPOSE AND SUMMARY

- 1.1 ☒ For Decision ☐ For Information/Noting
- 1.2 Following the approval of the Council's Revenue Budget for 2023/24, and the agreement that £1M of reserves be utilised towards digital modernisation, the purpose of this report is to advise the Committee as to how the Council's Digital Modernisation Programme is to be taken forward, the principles it will adopt and the governance arrangements.
- 1.3 This report provides an overview of the strategic and operational benefits that the Council can achieve through a structured programme of digital modernisation, and the reasons for the approach that is being taken.
- 1.4 This report also gives an indication of some of the projects that are intended to form part of the Digital Modernisation Programme.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Committee note that, following a review of the business case for the corporate roll out of EDRMS, it is not intended to progress with the project, in particular due to the estimated level of resourcing that would be required, as outlined in this report.
- 2.2 It is recommended that the Committee notes the content of this report and that a Digital Modernisation Project Board has been established, chaired by the Chief Executive, to oversee delivery of the Council's Digital Modernisation Programme.
- 2.3 It is recommended that the Committee notes the projects that are intended to form part of the Digital Modernisation Programme, as referred to in paragraph 4.6, subject to the provision of suitable business cases and with approval of the Committee being required for the use of the Digital Modernisation Reserves.
- 2.4 It is recommended that the Committee notes that updates on the progress of the Programme will be reported to the Committee.

Iain Strachan
Head of Legal & Democratic Services

3.0 BACKGROUND AND CONTEXT

The Council's Digital Strategy

3.1 The Committee previously approved the Council's Digital Strategy (2021 – 2024), which recognised the need to increase and promote the range of digital services available to employees and customers, and to exploit the opportunities that digital services can achieve by:-

- improving user experience and interaction with Council services;
- reducing cost to deliver services via channel shift opportunities; and
- improving efficiencies and productivity of services.

Use of EDRMS

3.2 Strategic, policy and legal requirements strongly support increased use of digital approaches within the Council. In relation to an Electronic Records and Document Management System (EDRMS) these can be summarised as follows:

- They would enable the Council to ensure that its business processes support compliance with legislative duties in respect of information governance. This regulatory framework includes data protection, but also the Freedom of Information regime and statutory duties around records management. A failure to comply with such regulations exposes the Council to notable risks, being operational, legal and financial, but also to its reputation.
- They would support the introduction of more efficient and effective business processes, including (i) multiple staff being able to create, access and review a single copy of a document, (ii) the removal of the need for officers to retrieve/copy/distribute hard copy documents/files, (iii) the creation of standardised workflow processes to direct and improve service delivery, including timescales for the same, together with standardised reports and outputs and deletion of duplicated tasks and (iv) improved resilience to emergency situations/disaster recovery (such as risk to information from fire/flood);
- They would support the move to more flexible workstyles, and the New Ways of Working Project, with the associated rationalisation of the Council's estate. Linked to this, the current reliance on paper records and manual filing is not sustainable and carries excessive risk. This risk is partially in terms of compliance, as noted above, but also operationally, if officers cannot easily and safely access the information and records needed to carry out their work and enable the Council to provide its services in an efficient and effective manner;

3.3 The Council's 2022/23 Delivering Differently programme included the refresh of the existing business case for the potential wider adoption of EDRMS across the Council. EDRMS, through the platform used by the Council, is already extensively used in Revenues and Benefits and the IHSCP, and there was the possibility of a wider adoption across the Council, an expansion that could support service areas in replacing some current processes that are manual and resource heavy, resulting in more efficient and effective systems.

3.4 This business case refresh was dealt with by the Corporate Management Team's (CMT) consideration of it on 21 December 2022. Subsequent to that, the Members Budget Working Group (MBWG) considered a proposal from officers that the Council does not implement a single multi-service roll out of EDRMS, but that officers instead develop a medium term Digital Modernisation Programme which would consist of projects focused on opportunities identified by service areas for the digitalisation of specific elements of their work and which meet the criteria set out in paragraph 4.3 of this report.

- 3.5 So that the Committee are aware, despite the justifications for increased adoption of EDRMS, there would be a number of specific barriers and challenges to such a roll out which also had to be considered. These include the difficulty in successfully implementing a single "big bang" approach across multiple service areas, with a system that might not necessarily be the most appropriate approach for each service. The biggest challenge, however, was the need for suitable resourcing, both financial and non-financial. The indicative costs for a wider roll-out of EDRMS across several back-office functions costs were approximately £300K, but were accepted as only representing a proportion of the costs and excluding the costs of back scanning paper files, and also the direct/indirect costs of key staff from service areas being taken off current duties and allocated to the project. Any decision to proceed with a significant expansion in the use of EDRMS would represent a major commitment, which would require full buy-in from the Council and likely take several years to effectively implement.
- 3.6 By way of wider context, it is important to recognise that, outside of EDRMS, several processes and systems have been implemented by the Council over the years that provide a range of platforms to create new and innovative ways for members of the public to engage with the Council's services. However, these have generally been tactical requirements that did not require a full EDRMS but still demonstrate the value of using suitable, currently available tools to deliver valuable services at reasonable cost. In addition, these have been implemented on a piecemeal basis without any more strategic assessment being undertaken on a Council-wide basis.

EDRMS Business Case

- 3.7 Taking all the above into account, in particular the resource requirements, the large change management piece that would be necessary, and coming also at a time of notable challenge and change for the Council, the CMT agreed that at this time the proposal to implement EDRMS as a single project across a wider range of Council service areas (including HR & OD, Legal & Democratic Services, Environmental Services and wider Education) should be rejected. Instead, the CMT agreed that a more tactical approach implementing projects better aligned to specific service requirements, but also aligned to wider strategic objectives, such as the use of the systems highlighted below, should be considered.
- 3.8 The MBWG supported this approach, and as part of the approval of the Council's Revenue Budget for 2023/24, on 2 March 2023, it was agreed that £1M of reserves be utilised towards digital modernisation. Specifically, it was agreed that these reserves are to fund investment in digital modernisation within the Council, including increased officer capacity, to improve both internal service processes/efficiency and access to services for the public, with the use of the reserves to be as agreed by the Committee.

4.0 PROPOSALS

Digital Modernisation Project Board

- 4.1 Further to the Council's Budget-setting on 2 March, the CMT have agreed the establishment of a cross-service Digital Modernisation Project Board (DMPB), together with its Terms of Reference. The DMPB will be chaired by the Chief Executive, meeting bi-monthly, and its purpose will be to provide support and challenge and ensure that momentum is maintained in the delivery of individual digital modernisation projects.
- 4.2 The DMPB will include representation from the 3 Directorates plus Legal, Finance and HR. This Board will review Business Cases, provide support and challenge and ensure that momentum is maintained in project delivery.

- 4.3 In considering the projects that might be included in the Digital Modernisation Programme, relevant service areas will need to prepare business cases, supported by the ICT Team, which would then require approval from the DPMB/CMT and it will also be a requirement that the business cases can demonstrate the following:-
- That there is full service area support for the project, with a commitment to make suitable officer resources available;
 - That the project will support delivery of the Council's wider strategic objectives, including its Corporate Plan, its Digital Strategy, its ICT strategy and the New Ways of Working Programme;
 - That the project will improve regulatory compliance in respect of information governance;
 - That the project has a clear timescale for delivery;
 - That any anticipated efficiency savings are identified; and
 - That the project will help deliver improvements in service delivery for the benefit of citizens and other service users.
- 4.4 In addition, the Committee will need to approve specific projects being able to access the Digital Modernisation Reserves.
- 4.5 A facilitated session has been arranged with relevant senior managers, from which a programme of potential projects will be developed for delivery over the period 2023/26.
- 4.6 A Digital Modernisation Programme is in the course of being prepared, however, through the work conducted to date, it is envisaged that the Programme will include some of the following projects:-

Project	Purpose
Complaints System	Replacement of existing complaints handling system
HR System*	Transfer of existing manual processes to electronic forms
Customer Service System	Improve processes within Customer Service Centre and Services. Expand availability of processes for "self" service by members of the public.
Microsoft 365	Enable use of services and functionality included within M365 to allow staff to work collaboratively and efficiently.
Service Desk	Introduce self-service to allow support during the wider hybrid working envelope. Provide a centralised service desk function across all aspects of the Council beyond ICT, in areas such as building services and facilities management
Schools Catering	Replacement of existing catering system which is at end of contract. Provide wider functionality for students, parents and staff. Reduce waste.
Licensing Database	Creation of electronic civic/alcohol licensing database

As noted above, this is just an indicative list of potential projects. Reports on overall progress will be presented to the Policy & Resources Committee.

*In addition, it is to be noted that the HR system project is already underway and will not be funded from the Digital Modernisation Reserves.

5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO	N/A
Financial	X		
Legal/Risk	X		
Human Resources	X		
Strategic (LOIP/Corporate Plan)	X		
Equalities & Fairer Scotland Duty			X
Children & Young People's Rights & Wellbeing			X
Environmental & Sustainability			X
Data Protection		X	

5.2 Finance

It is clear that the Council requires to allocate one off and potentially recurring resources to develop systems and processes which support hybrid working and digital service delivery. There is approximately £150k unallocated from existing ICT reserves which could be used as an initial contribution to the proposals, in addition to the use of the Digital Modernisation Reserves, as noted above.

ICT has already used an existing vacancy to create a permanent Project Officer post to support the Project Team Leader who reports directly to the ICT & Customer Services Manager. In addition, it is planned to create a second Project Officer post on a temporary basis funded from the new Earmarked Reserve.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
Reserves	Digital Modernisation	From 2023/24	£1.0million		In addition to the £150k (est) currently unallocated within existing EMR

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments

5.3 Legal/Risk

The adoption of new digital ways of working, such as EDRMS or similar such approaches, will help the Council ensure compliance with its regulatory duties, in particular around information governance and records management and help mitigate the risk to operational delivery that is posed by some current working practices. There are, naturally, risks associated with the adoption of new systems. These risks would need reviewed, and suitable mitigations put in place. However, the Council also needs to consider the risks of not progressing such initiatives, including with information governance compliance but also staff retention and recruitment.

5.4 Human Resources

There are clear capacity issues within services and ICT which are holding back the development and implementation of the modernisation and digitalisation agenda. There is a need to increase understanding and awareness of opportunities and thereafter ensure that appropriate resources are available to allow these opportunities to be grasped. The funding approved as part of the Budget-setting, and the creation of the Digital Modernisation Programme, will help address this.

The Trade Unions have been made aware of this report, and where appropriate will be consulted on projects that are taken forward under the Programme.

5.5 Strategic

A step change in the development and roll out of modernisation and digitalisation projects will support a number of key strategic and policy directions of the Council. It is also to be noted that the Council's new management structure, which brings ICT & Customer Services together with Legal & Democratic Services, will help support delivery of this programme.

5.6 Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO – Assessed as not relevant as this report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

Although a DPIA was not required for this report, adoption of certain digital solutions will assist the Council in ensuring it is meeting its obligations around the storage and use of personal data. A DPIA would also be required prior to adoption of certain solutions, to ensure that any personal data was suitably protected, such as employee records.

6.0 CONSULTATION

6.1 The CMT have been consulted on this report.

7.0 BACKGROUND PAPERS

7.1 Inverclyde Council 2 March 2023 – Approval of 2023/24 Budget.