Digital Challenge

Business Case

The over-arching vision for the Digital Challenge is to change the way we work by making our next technological leap.

For Cabinet
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Contents

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1. Executive summary

The over-arching vision for the Digital Challenge is to change the way we work by making our next technological leap.

In recent years the Council has made major investments in its ICT which have improved the way we work and delivered significant savings. For example, by introducing a 'virtual' network, we enabled staff to work from flexible locations which unlocked revenue savings by allowing us to reduce the size of our estate.

However, our existing technology and work patterns place limits on our effectiveness and on our efficiency. Our systems are still not readily available on mobile technology; our files and data are not easy to share; we under-utilise the benefits of some of our technology; and we have a large array of different ICT applications.

The pace of technological change is fast and now presents us with new opportunities to improve the way we work, and the ways we serve our customers and communities. By harnessing new technologies we can also make significant improvements to productivity. This will involve new ways of working for all our people and further culture change.

These changes will also help us achieve our ambition to earn more income from commercial trading. The changes propose creating new ways that customers can 'self-serve', further improving our workflows, automating our processes, and improving the extent to which staff can access information wherever they are. By doing this we will position ourselves well for capitalising on commercial opportunities and trading beyond our current geographic boundaries.

Much of the ICT investment included in this business case would likely be needed within the next five years to continue operating effectively regardless of these proposed changes. For example, the operating system for our ICT platform (currently Windows 7) would need updating as support for the current system is discontinued; and many of our contracts for printing, document storage and bulk mailing need renewing. By bringing these changes into one programme, we can manage them more effectively and harvest greater benefits.

This business case also builds on the work that has been started as part of the Council's whole-organisation 'Universal Customer Contact Fundamental Service Review (UCC FSR) to introduce customer self-serve, and sets the foundation for further transformation.

Summary of change

This business case proposes introducing new technology and making better use of existing systems so that:
- Customers benefit from convenient 24/7 access to all our appropriate services by electronic self-serve
- Correspondence with customers and partners is shifted from mail to e-mail by default; any residual mail is handled by a bulk mail supplier
- Customers can supply evidence for claims and applications more easily

- Customers no longer need to provide the same evidence more than once for different transactions
- Customers are offered more convenient electronic payment methods and encouraged to adopt paperless electronic billing.
- Councillors and staff can work on any type of device and from any location
- The public can use our website to search a wide range of our datasets
- The need for 'Freedom of Information' requests reduces
- All councillors and staff have the confidence and ability to adopt paperless and self-serve techniques
- Councillors and staff attending meetings view 'papers' electronically
- Councillors and staff can serve themselves for notifications and claims
- All our people can access appropriate data and files much more readily
- Staff can collaborate and share information more simply
- Managers can oversee recruitment processes using a paperless system
- Field workers have ICT kit that enables tasks to be 'served' to them most efficiently; and allows them to complete more tasks without the need to return to an office desk
- The full range of functionality from our applications is enabled
- By optimising our use of core systems we are able to decommission others (for example, by using Outlook for room bookings, we would no longer need a separate system for this function).

Financial information

The Digital Challenge will capitalise on the ICT investment we have made in recent years, and the new investment we will need to make. Details of this investment are contained in the ICT Strategy for 2015-18 and have been included in the 2016/17 budget.

This business case includes details of savings to be achieved by reducing our use of print and paper, by bringing together existing contracts, and by becoming more productive.

Digital Challenge	Year 1 2016/17* £'000	Year 2 2017/18 £'000	Year 3 2018/19 £'000	Year 4 2019/20 £'000
Total savings	(100)	(740)	(1,065)	(1,120)
Revenue Costs				
Implementation capacity	150	150	80	50
Net savings	**50**	**(590)**	**(985)**	**(1,070)**

* 2016/17 savings included in budget

2. Where are we now?

Colchester is one of the largest boroughs in the UK. We are growing quickly, with significant house building accompanied by a desire to complement this with improving employment, infrastructure and facilities for residents, businesses and visitors.

Colchester Borough Council is an ambitious organisation with an understanding of and aspiration to deliver high quality, accessible services for our residents, alongside a recognition that it has to be a community leader. The challenges facing local government are growing, and we are no exception in finding it harder to fund our services.

We recognise that we cannot deliver all that we want for the borough in isolation and must work proactively with partners from a broad spectrum to achieve what we want for our communities.

We know also that we need to constantly explore new ways of working, and continue to modernise to remain effective and achieve efficiencies.

Financial challenges

In recent years the reduction in local government funding has presented us with major challenges. However, with a long term commitment to reviewing and changing the way we work, we have had a head start. Such reviews have helped achieve large savings across the organisation. We started with reviews of all our large service areas and have consolidated with an organisation-wide review during the past three years which is delivering real improvements.

We know our budget position for the next three years and are planning now to deliver projects that will deliver savings and/or income.

To date we have not made major cuts to frontline service budgets. Redesign of how we deliver services has been crucial to making the savings and efficiencies.

A few examples of how we have delivered these are:
- Introduction of a four-day collection routine for our waste and recycling service meaning less disruption and less cost from bank holidays
- Investment at Leisure World, enabling us to aim for increased revenue and a cost-neutral service, and to achieve the highest level of membership ever
- Increased use of technology for revenues and benefits, simplifying the process for customers and reducing the need for manual processes
- Moving our front-facing customer services to the Community Hub, removing cash payments from our processes and benefiting from partnership working with our County partners
- Encouraging behavioural and culture change
- Delivering channel shift to reduce the cost of transactions.

We have delivered more than £12 million in savings/additional income since 2011/12.

Business objectives

Strategic Plan 2015-18
The Council's vision for the borough is to capitalise on the borough's rich heritage, and maximise opportunities for its future. It aims to ensure Colchester is a vibrant, thriving, prosperous and welcoming place.

Leading our place
As a growing borough with a population of 180,000 likely to reach 230,000 by 2031, we have been clear that housing and population growth must be accompanied not only by improvements in infrastructure but also in employment and leisure opportunities. We have an ambitious regeneration programme and are delivering a range of large-scale projects to make Colchester an exciting urban centre both in Essex and the region.

Three organisational goals
The organisation has adopted three internal change goals under the themes 'Customer', 'Business' and 'Culture'. They are:

Customer
To help our customers access our services and deliver on our communities' needs:
- Self-serve: We have adopted a channel management strategy that seeks to create attractive and user-friendly options for customers to serve themselves via electronic channels. We aim to shift much of our contact with customers from 'face-to-face' and telephone to electronic.
- Shared hubs: With Essex County Council, we have introduced an innovative Community Hub based at the Library in Colchester town centre. This is a shared delivery point for face-to-face services and assisted self-serve. We aim to introduce smaller neighbourhood hubs for the larger villages in the borough.
- Community enabling: We have adopted a strategy to transform services and to encourage communities to help themselves. We believe we can make changes that protect core services, help communities achieve their ambitions, and deliver savings.

Business
To become commercially focused and even more business-like in order to be free of government grant by 2017:
- Improving existing income streams (such as community alarms, building control, Colchester Borough Homes – our housing ALMO)
- Becoming more commercial in our procurement dealings (managing existing contracts better whilst procuring others more commercially)
- Turning many of our assets from capital into revenue-generating income streams.

Culture
To have inspired staff who do the right things and are proud to work for the Council:
- Through our People Strategy, Learning and Development Programme, Talent Management programme and staff incentive scheme, we aim to change the culture within the organisation to achieve our objectives.

Performing highly
By adopting a detailed budget strategy, pursuing opportunities to transform services, adopting a programme management approach, and inspiring our staff, we aim to be a high performing council.

Technological context

Over time, the Council has invested in modernising its information and communication technology. In recent years we have delivered a wide-reaching ICT improvement programme, investing in world-class technologies and robust, reliable infrastructure, to ensure that we put in place the ICT platform to support the aspirations of the organisation.

Some notable improvements over the period 2012 to 2015 include:
- Implementation of Microsoft Dynamics CRM within Customer Services
- Investment in new top tasks website functionality
- Implementation of the MITEL Voice over Internet Protocol (VOIP) telephony system for the whole organisation
- Upgrading our operating system from Windows XP to Windows 7
- Upgrading from Microsoft Office 2003 to Microsoft Office 2010
- Upgrading our e-mail system
- Upgrading our anti-virus protection and performance
- Implementing a new back-up solution to improve resilience
- Moving our servers from a server room within Angel Court to a dedicated space with Braintree District Council's server room
- Delivery of a new self-serve solution for Council Tax, Benefits, Housing and Business Rates (NNDR).

Impetus for change

The pace of technological innovation is relentless. New technologies already exist to allow us to be more effective, to improve customer service and to make efficiencies.

At the same time customer expectations in general, and in particular for 24/7 access to services, are increasing. And our need to become more efficient continues with further pressures on local government funding.

We have made significant investments in ICT technology over recent years which have delivered improvements and efficiencies. However, much of the technology we have bought has more potential to enable change, and we need to optimise its use to realise all of these potential benefits.

Much of the proposed ICT investment included in this business case would likely be needed within the next five years to continue operating effectively regardless of these changes. For example, the operating system for our ICT platform (currently Windows 7) would need updating within that time as support for the current system is discontinued; and many of our contracts for printing, document storage and bulk mailing need renewing. By bringing these changes into one programme, we can more manage them more effectively and harvest greater benefits.

Commercial activity

The Council is seeking opportunities to develop new commercial income streams.

The changes within this business case would prepare the ground for greater commercial activity by:

- Reducing demand where appropriate for face-to-face customer service as this is our most expensive communications channel.
- An effective mobile working arrangement with collaborative capability will allow us to empower staff to work more effectively, and allow the organisation to access business opportunities and staff resources outside our traditional work area.
- Experience of delivering this overall programme will give us proven expertise in document management and workflow, which will have a commercial application.
- Experience of successfully delivering a programme of this type, building skills and confidence in delivering complex projects, will leave us well placed to deliver similar projects for ourselves and others.

3.   This business case

The preparation of this business case has involved considering…
- The lessons learned from the whole-organisation 'Universal Customer Contact Fundamental Service Review (UCC FSR)
- The new Information and Communication Technology (ICT) Strategy
- The ICT Roadmap
- The progress made implementing customer self-serve so far as part of the Sport and Leisure FSR, the UCC FSR and across the NEPP area
- The development of the Customer Futures review
- The existing gap between our current position and our commercial and customer aspirations.

…and engaging:
- Senior managers from each of the Council's six services along with members of Executive Management Team
- Managers and officers within the Council's ICT team, Strategic Change team and Professional Support Unit
- The Council's Technical Design Authority
- Selected internal users
- Essex Online Partnership and other local authorities
- Capita ITES
- The consultancy Ignite for their experience with two other Councils which are working towards paperless working.

The work has included:
- Detailed work in the Council's individual services to consider possible changes and savings made possible by new technology
- Significant data capture in relation to key activities including:
  - centrally stored contracts, and contract documentation
  - budgets associated with print, postage and scanning activity
- A 'department by department' review of volumes of activity associated with Multi-functional devices (MFDs), postage and our outsourced bulk printers
- Review of external print suppliers such as FDM/HiMail
- Review of current use of our internal scanning and indexing team
  - gathering detailed business requirements by service for incoming and outbound correspondence
- A review of existing file storage arrangements
- Review of contact across the majority of professional services, and all allied areas such as operational and community services, in addition to some commercial services such as building control
- Researching more holistic solutions that will drive efficiencies, save costs and increase effectiveness
- Consideration of our current and anticipation of future operating practices, technology roadmaps and direction over the next five years, and internal challenge as to the outcomes which the organisation wants.

4.   The situation 'as is'

The Council employs 925 people (798 'full-time equivalent' or FTEs) to deliver a wide range of services including:

- Direct customer services such as housing, waste and recycling collection, parks, leisure centres, helpline and car parks
- Services for communities such as our zone teams, regeneration team, CCTV service and community initiatives
- Protective and licensing services such as planning, building control, and the licensing of public houses
- Strategy work such as the development of the Local Plan, and the housing needs assessment.

The financial challenges of recent years have to date been met without significant cuts to frontline services. Services have modernised, achieved considerable efficiencies and improved their customer service.

Our investments in technology have allowed us to work more flexibly, and to achieve savings. For example, our investments in a virtual ICT environment and in VOIP telephony have freed staff from fixed-desk locations and allowed us to reduce our office estate.

However, a number of challenges impede our efficiency:

- Many staff working in our communities have little access to technology to allow them to communicate and deliver their roles more efficiently and effectively.
- The current, traditional electronic file storage structure used by staff to create and save documents makes sharing information difficult and inflates the server space we require by encouraging duplication.
- Many customer processes (for both external and internal customers) continue to require expensive and time consuming face-to-face or telephone contact; and to rely on messages being passed between teams rather than using automation.
- Our technology places limitations on how flexibly staff and councillors can work. For example, our virtual environment is only available on certain types of devices and not at all on mobile devices.
- We are under-utilising the full capabilities of several of our principal ICT applications. This increases the number of applications we need and reduces efficiency and effectiveness. We currently have more than 80 live software solutions operating within the authority.
- We continue to use a great deal of paper every year and send thousands of letters via the postal service. Our budgets still include around £340,000 to be spent on printing paper, and £400,000 for postage. This reinforces a reliance on physical rather than electronic processes.
- When working collaboratively with other local authority partners, or commercial colleagues, there isn't the ability to easily share documents.
- Our technology places restrictions on the flexibility staff have in performing their roles in different locations.
- Document storage, local print and postage, copy and scanning solutions are all either out of contract, or, coming to the end of the contract.

Initial achievements moving to electronic communication

In April 2014 we set an ambitious 'channel shift' target for reducing in-person and telephone contact by 21% over two years (to April 2016) by shifting customer interactions online. The target was split into a 10% reduction for the first year and an 11% for year two. Now in year two but with another three months to go, we have already met that target and hope to exceed by the end of the financial year.

In the first year, we exceeded the target of 10% by achieving more than 15% reduction in in-person and telephony contact.

In the year ahead, we will set ambitious but realisable targets for the Digital Challenge, particularly in relation to customer telephony contact across the organisation to allow us to monitor our progress against the opportunities for change.

Enabling digital transformation
Alongside an investment in technology, a review of the website and forms, and improvements in processes, this reduction in in-person and telephone contact was achieved by using the following enablers to increase use of our digital channels:
*   customer and staff behaviour change techniques
*   work in the community to build digital skills and enable people to self-serve
*   work on our multi-agency 'Hub and spokes' programme (funded by a successful Transformation Challenge Award bid to the Department for Communities and Local Government).

Work has included:
*   Establishing joint working between organisations at the central library and community hub to reduce unnecessary contact and ensure vulnerable customers and those with complex cases are given the help they need. This has been used alongside behaviour change techniques or 'nudges' to encourage customers who are able to use online services to do so.
*   Setting up the first Go-Online Partnership in the East of England, with more than 30 partners from the public and private sector including Barclays, Lloyds and Argos to increase digital skills.
*   Developing formal and informal community hub or 'spoke' locations for assisted self-serve (for instance, Greenstead, Prettygate and Mersea libraries, Activity Centre, YMCA, town and parish offices).
*   Developing a basic digital skills course for customers and staff who have limited digital skills with Signpost and Colchester Borough Homes.
*   Training Online Champions to provide help with digital skills in communities. (Champions include councillors, zone wardens, staff, community organisation leaders, town and parish clerks).
*   Establishing digital 'surgeries' and 'bazaars' with community champions to teach people basic digital skills and encourage them to use our website and online services.
*   Using 'nudge' techniques and early interventions for Local Council Tax Support customers who are likely to get into debt. Sending reminder text messages alone resulted in debt recovery of approximately £61,000 between April 2015 and October 2015.

5 New opportunities / 'to be'

By taking advantage of the opportunities new technologies present, we will change the way all our people (councillors and staff) work and further change how we serve customers. These changes will be significant and will result in improved customer service, improved effectiveness, and greater productivity. They will require us to build on the culture change work started during the last organisational review (the UCCFSR).

These changes will achieve the following 12 outcomes:
1. Customer processes are digital by default with face-to-face or telephone back-up to ensure accessibility
2. All outbound contact will be delivered digitally by default
3. More customers adopt electronic billing and payment methods to reduce the cost of our transactions and to reduce our use of paper and postage
4. All non-sensitive data will be searchable by the public
5. Fully electronic working for councillors and staff with paper in the back office removed
6. Open access for all councillors and staff to all files by default
7. An organisation-wide Document Management/Storage System
8. Easier access on any kit in any location - the place you work is no longer relevant, or constrained by systems
9. Duplication in processing and storage is removed
10. The number of applications we use is reduced
11. The principle of 'capture once and re-use' is instilled
12. To free us from the confines of our locality and allow us more easily to work with partners, and use resources from further afield. This is intended to open up wider commercial opportunities.

This business case will involve the introduction of new technology to change:
- The way our councillors can operate for their communities
- The way our staff work
- The way our customers serve.

Some of these changes will affect the whole organisation and will be introduced corporately. Others are opportunities to improve in particular service or services which will be delivered locally.

Technology is as an enabler and catalyst, but the changes proposed here are driven by the organisation to help us achieve our business objectives.
A major part of these changes will be the implementation across the organisation of a 'cloud-based' document storage and management system. This will incorporate a new file plan structure that delivers workflow and allows for easy document storage and access.
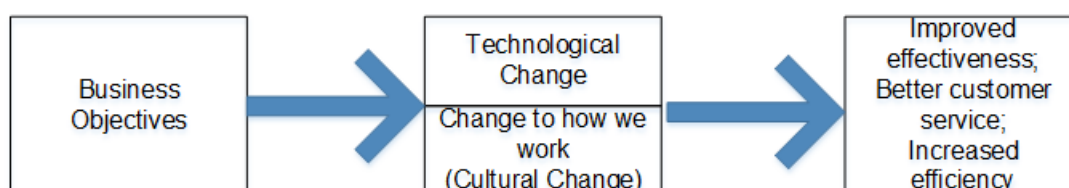
Opportunities

The Digital Challenge will include 10 opportunities for change. All of these will require staff, and in some cases councillors, to adopt new ways of working. As such, they will require a significant change in our organisational culture at every level.

	Opportunity	Outcome	Description	This will mean…
1	**Customer self-serve**	1, 2	Re-engineer more of our customer processes across all our services to facilitate customer self-serve and deliver workflow and automated back-office processing.	• Customers benefit from convenient 24/7 access to all our appropriate services • Savings are achieved throughout each customer process.
2	**Optimisation**	10	Optimise our use of existing systems such as our customer relationship management system (CRM), and our MITEL telephony.	• Best value for money is achieved from each of our systems by enabling the full range of their functionality.
3	**Smarter working**	4, 5, 6, 7, 8, 12	Introduce a new ICT platform (Office 365), move our storage to a cloud environment, and introduce a new document management/storage/collaboration system.	• Councillors and staff are able to work on any type of device and from any location • Appropriate files are made much more readily available to anyone who needs them.
4	**Paper Chase**	2, 5	Reduce the volume of paper we use throughout the authority and the postal costs we incur.	• Correspondence with customers and partners is shifted from mail to e-mail by default • Residual mail is handled by a bulk mail supplier • Councillors and staff attending meetings view 'papers' electronically.
5	**Internal self-serve**	1, 4, 9	Procure and implement a new HR and Payroll system with modules to introduce self-serve paperless and automated processes for recruitment, sickness reporting, and expenses and overtime claims.	• Managers can oversee recruitment processes within their teams using a paperless system • Councillors and staff can serve themselves for notifications and claims • Savings are achieved by automating these processes.

6	**Enable remote working**	4, 8	Identify and procure new systems and equipment to allow field staff to spend more of their time serving customers, removing the need for them to return to the office to receive and process tasks.	• Field workers have ICT kit that enables tasks to be 'served' to them most efficiently; and for them to complete more of their tasks without the need to return to an office desk.
7	**'Capture Once and Re-use' Culture**	11	Re-engineer customer processes and introduce technology to allow information and evidence provided by customers once to be used for multiple tasks if required.	• Customers can supply evidence for claims and applications more easily • Customers no longer need to provide the same evidence more than once for different applications.
8	**Transparency**	3	Make the information we hold available to all staff by default and ensure our non-sensitive data is searchable by the public via our website.	• Staff can collaborate and share information more simply • Members of the public can use our website 24/7 to search a wide range of our datasets • The need for people to send in 'Freedom of Information' requests reduces.
9	**Upskill the digital skills of our people**	All	As new technology enables new ways of working, we will provide tailored training to help all our people (councillors and staff) to make the leap akin to our 'Go Online' support for communities.	• All councillors and staff have the confidence to adopt paperless and self-serve techniques.
10	**Rationalise our systems**	10	Rationalise and reduce the number of separate ICT systems we operate.	• By optimising our use of core systems we are able to decommission others (for example, by using Outlook for room bookings, and our telephony for a staff directory, we no longer need separate systems for these functions).

(The outcomes shown in the third column above are those listed on page 12).

Capitalising on these opportunities

Some of the changes which these opportunities make possible will happen across the organisation. They include:

Smarter Working
Several of the changes introduced as part of the Digital Challenge will increase productivity across the organisation. These include the introduction of technology to make accessing information easier, and increasing the amount of internal self-serve (through, for example, our procurement of a new Payroll and HR system).

These gains may be too marginal 'per-person' to allow re-organisations within teams; but they will enable a leaner structure at a whole-organisation level. The saving assigned to this change is likely to involve a reduction in staff posts of approximately six to eight posts across the organisation.

Paper Chase
The Council currently spends significant sums (see tables below) on printing and postage. Document storage, local print and postage, copy and scanning solutions are all either out of contract, or, coming to the end of the contract.

Source	Contract value over term	From	To
	£'000		
External printer	1,200	22/07/2010	21/07/2014
Bulk posting	111	01/04/2010	31/03/2015
Office multi-function printers	296	01/04/2011	31/03/2016
Document storage	250	01/04/2011	31/03/2015

	Courier	Postage	External printing	Other printing	Total
	£'000	£'000	£'000	£'000	£'000
General Fund costs in 2016-17 budget	**5.3**	**200.5**	**127.2**	**109.7**	**442.7**

We will achieve savings:
- Through a procurement exercise to renew these contracts; possibly bringing them together
- By using technology to reduce the volume of paper we generate; and
- By using technology to automate processes.

The Council's services have been planning how they will take advantage of these opportunities to increase income, improve productivity and make efficiencies.

Each service has a detailed list of initiatives to deliver the savings shown in the Section 8 financial summary. Some examples include:

Customer Services	Implement a joint services business case known as 'Customer Enterprise Programme' with Basildon Council. This will develop a self-service customer offer 'One Contact, One Service' to deliver savings of £265,000 by 2019/20.
Professional Services	Introduce new software to deliver smoother and more efficient end-to-end processing across our regulatory services. This will enable faster and more interactive processing, more intuitive and responsive electronic contact with customers, and an increase in electronic processing to reduce the volume of telephone, mail and e-mail communication required.
Community Services	Increase our use of our electronic Task Management System to work more efficiently.
Operational Services	Increase the income we earn from our Trade Waste service by making processes easier for customers, streamlining back-office processes and removing the double handling of information.
Commercial Services	Use our existing and forthcoming digital assets located in the Colchester town centre to generate extra income streams and to reduce the Council's current outgoings.
Corporate and Financial Management	Reduce the volume of printing required for public meetings by making it easier for councillors to view 'papers' electronically; review subsidies for home broadband for those working at home; and reduce the number of separate pieces of ICT and mobile telephony equipment by making it easier for people to 'bring their own kit'.

6.   Enablers

The successful implementation of these changes will require the involvement of all parts of the organisation.

This will include the involvement of the whole of the Senior Management Team, and all of the services in identifying and implementing changes as a result of the technological leap, along with corporate resources to support these changes (such as the ICT team and the Professional Support Unit).

However, some extra time-limited resource will be required to support these changes if they are to be implemented successfully:
- Technical resource within the Corporate ICT Team and the PSU (equivalent to two full-time equivalent posts)
- Business Process Re-engineering resource (equivalent to one full-time equivalent post)
- Project Management resource (equivalent to one full-time equivalent post)
- Training resource to design and deliver tailored training for councillors and staff as well as supporting service-based change champions.

This investment has been included within the financial summary in Section 8.

7. Customers

The experience 'as is' for customers

An increasing number of our customers are adopting our new electronic self-serve channels.

However, many customers still contact us by telephone or in-person. These channels are restricted in their hours of opening and considerably more expensive or time-consuming. Some customers approach us by telephone or in-person because they are not able to use electronic channels, or they may make this choice because:

- These channels are often perceived to deliver the quickest and most effective way for them to resolve issues, particularly complex ones.
- They can feel simpler as a result of the manual or semi-automated internal processes we still have.
- Frequently the customer will need to make contact on multiple occasions to check progress and resolve an issue.
- The current online experience is still limited and not yet universal.

What these changes mean for customers ('to be')

The changes proposed in this business case will mean:

- Customers will be able to serve themselves with more of our processes available to them 24/7.
- Vulnerable customers will continue to have access to specialist face-to-face service in an appropriate environment.
- More customers will be able to access billing information and make payments electronically.
- Customers will be able to access more local information by being able to search more of the data we hold.
- Our frontline staff will be more available for customers throughout the working hours.
- Customers will receive more pro-active service as we bring together the data we hold and use it more smartly to offer service before being asked.

8.   Financial implications

The changes proposed in this business case require capital and revenue investment to deliver recurring revenue savings. The ICT Strategy agreed by Cabinet in January 2016 includes almost £1 million of investment which is directly linked to the Digital Challenge project.

ICT Capital Programme – Digital Challenge

	2016/17	2017/18	2018/19	Total
	£'000	£'000	£'000	£'000
Digital challenge projects	560	0	0	560

The Digital Challenge proposes capitalising on the investment made in the ICT Strategy to deliver improved customer service, improved productivity and savings.

The table below sets out the anticipated savings and income over the next four years. It shows an estimate of recurring net savings of £1.12 million by 2019/20.

Digital Challenge – Revenue costs and savings projections

	Year 1 2016/17 *	Year 2 2017/18	Year 3 2018/19	Year 4 2019/20
	£'000	£'000	£'000	£'000
Savings and income projections				
Corporate changes				
Smarter working	0	(200)	(200)	(200)
Paper Chase	(100)	(200)	(300)	(300)
Service savings or income growth				
Commercial Services	0	(40)	(80)	(80)
Community Services	0	(103)	(103)	(103)
Corporate and Financial Management	0	(30)	(86)	(86)
Customer Service *(savings arising from the Customer Enterprise Programme)*	0	(75)	(170)	(225)
Operational Services	0	(27)	(41)	(41)
Professional Services	0	(65)	(85)	(85)
Total savings	**(100)**	**(740)**	**(1,065)**	**(1,120)**
Revenue costs				
Implementation capacity	150	150	80	50
Net savings	**50**	**(590)**	**(985)**	**(1,070)**

* 2016/17 savings included in budget

9.   Risks

The key risks at this stage have been identified as:
- Competing priorities in respect of budget and resource
- Need to ensure all services 'buy-in' to these changes
- Securing the purchase and installation of key new ICT within budget
- Resource availability for planning, and then for implementation across the organisation
- The effect on performance, income and customer service during transition
- Effectiveness of communications with staff and customers through the implementation phase
- Potential customer dissatisfaction with service changes, or with disruption during these changes
- Creating and embedding the new culture required to deliver objectives
- Acceptance of new ways of working and cultural change.

A risk register will be developed to include potential issues and any costs of risk reduction as part of the implementation phase.

These risks will be reviewed regularly by the Senior Management Team.

10. Communication

Throughout the research and preparation of this business case, there has been engagement and communication with staff across the organisation to ensure that the proposals reflect the desires of the organisation.

Involvement has included briefings and consultation with:
* Executive Management Team
* Senior Management Team
* the Portfolio Holder
* Officers from across the Council including on Windows 365 development.

In addition, fact-finding discussions have been held with a number of partner organisations and other authorities who have or are planning to embark on a change programme with similarities to ours.

Staff have been kept informed so far with articles in Spotlight and on the Hub.

A Communications and Engagement Plan will be developed during the implementation stage.

11. Implementation

Once the formal decision-making is complete, the Digital Challenge will move into the implementation phase, and an implementation plan will be finalised to start from June 2016.

The implementation plan will be phased over a three-year period, with investment costs needed from the first year (2016/17) and efficiency savings starting in year two (2017/18).

Implementation will also include the procurement and implementation of new technology, the re-engineering of current processes and ways of working, and the training and cultural change necessary.