

# LONDON BOROUGH OF HILLINGDON DIGITAL STRATEGY

<b>Cabinet Member &amp; Portfolio</b>	Councillor Douglas Mills Cabinet Member for Corporate Services
<b>Responsible Officer</b>	Chief Digital & Information Officer
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<b>Papers with report</b>	Appendix - Digital Strategy

## HEADLINES

<b>Summary</b>	<p>This report presents the Council's Digital Strategy for the next three years. Building upon the full Council Strategy, approved by Cabinet in October 2022. The Digital Strategy will support our five commitments to residents, in particular our aim to be a digital-enabled, modern, well-run council.</p> <p>The strategy sets out the Council's vision for digital, which aims to improve the way the Council delivers services to residents by utilising technology. We will put residents first by enabling them to access the services they need quickly and at their own convenience, whilst also delivering more efficient and effective processes for council staff. This report to Cabinet seeks to obtain approval for the Digital Strategy.</p>
<b>Putting our Residents First</b>  <b>Delivering on the Council Strategy 2022-2026</b>	<p>This report supports our ambition for residents / the Council of: An efficient, well-run, digital-enabled council working with partners to deliver services to improve the lives of all our residents</p> <p>This report supports our commitments to residents of: A Digital-Enabled, Modern, Well-Run Council</p>
<b>Financial Cost</b>	Agreeing the Digital Strategy will act as a framework for the service to deliver a £4.2m benefit for the Council, utilising £9m of approved capital programme budgets to secure this saving, with this investment leading to a payback period of just over 2 years.
<b>Relevant Select Committee</b>	Corporate Resources & Infrastructure Select Committee
<b>Relevant Ward(s)</b>	All

## RECOMMENDATIONS

That Cabinet:

1. Approves Hillingdon's Digital Strategy 2024-27 in the Appendix.
2. To deliver the Strategy:
  - a) Agrees the programmes and projects as set out in the report for the remainder of 2024/25 and 2025/26;
  - b) Authorises the release of the remaining approved capital budget for 2024/25 and 2025/26 to deliver this;
  - c) Delegates authority to the Chief Digital & Information Officer and Corporate Director of Finance (S151), in consultation with the Cabinet Member for Corporate Services, to incur expenditure within this budget and make all necessary procurement decisions on the programmes and projects set out in the report, reporting decisions for transparency as required and;
  - d) Agrees that any variations to specific projects within the programme for 2024/25 and 2025/26 be subject to i) being within the Strategy's objectives, ii) being within the approved budget and associated aggregate savings for the financial year and iii) having the agreement of the Chief Digital & Information Officer and Corporate Director of Finance (S151), in consultation with the Cabinet Member for Corporate Services.
3. Agree to receive an annual report going forward, setting out progress on the Strategy and delivery of savings targets, seeking agreement to the programmes and projects for the upcoming financial year and seeking further delegated authority to successfully implement the programme.

### Reasons for recommendation

Cabinet is requested to consider Hillingdon's Digital Strategy, which sets out a clear vision for the Borough and the Council, for the next three years. The report seeks Cabinet agreement to the programmes and projects for 2024/25 and 2025/26, along with the release of capital monies and delegated authority to the relevant Chief Officers to implement the Strategy and projects expediently. It is proposed that an annual report be presented to Cabinet to agree each year's programme of projects and to review progress on delivery of the Strategy.

### Alternative options considered / risk management

The following alternative options had been considered, but since ruled out for the reasons given below:

- 1) Option one: Do Nothing: The "do nothing" option is not recommended as it constitutes a missed opportunity and goes against our commitment to be a "digitally enabled modern, well-run Council" in the long term. Doing nothing in the short term will result in ongoing inefficiencies and a greater level of long-term costs. The "do nothing" option is cost neutral and just delivering incremental improvements. There is a risk that the costs to catch-up will increase significantly year on year.

- 2) Option 2: Only deliver projects which deliver a return on investment (ROI): This option would only focus on investment in projects which deliver a tangible cost saving or return. This option is not recommended as it limits long term benefits and there is too great a risk that we make decisions in the short term to make savings that restrict our long-term digital, data and technology capabilities and restrict medium to long term savings.

## Risk management

Risk management within the Digital Strategy will be closely monitored to ensure alignment with the Strategy's objectives. Programme and project governance boards are already in place for each of the five programmes, which meet monthly to monitor progress, spend and flag any risks to the Senior Responsible Officer. Any 'red' rated risks will then be reported back into the Chief Digital & Information Officer to own and mitigate.

Any variations to specific projects will be subject to three key conditions:

- i) They must be within the Strategy's objectives;
- ii) They must be within the approved budget for the financial year and associated aggregate savings for the financial year and;
- iii) They must have the agreement of the Chief Digital & Information Officer and Corporate Director of Finance (s151), in consultation with the Cabinet Member for Corporate Services.

Additionally, risks will be fed through the corporate risk management group, and an annual report will be received going forward, setting out progress on the Strategy. This will seek agreement to the programmes and projects for the upcoming year, and seeking further delegated authority to successfully implement the programme.

## Select Committee comments

On 17 September 2024, the draft Digital Strategy was presented to the Corporate Resources and Infrastructure Select Committee for their comments. The Committee agreed the following comments upon the Chair's suggestion:

*"The Committee welcomes the advances and positive strides made in the digital strategy and at the same time recognising the need to make resident experience with the council evermore effectively digital in addition to actively supporting those residents less able to access digital services."*

## SUPPORTING INFORMATION

1. Hillingdon Council's ambition is to strive to be an efficient, well-run, digitally enabled council, working with partners to deliver services to improve the lives of all our residents.
2. Becoming a digital council is fundamentally improving our resident, visitor, business and staff experience through simpler, better services and tools. The strategy will set out the steps to improve the way the council delivers services to residents by utilising technology. The core ambition is to put residents first by enabling them to access the services they

need quickly and at their own convenience, whilst also delivering more efficient and effective processes for council staff.

3. A prior report and presentation to the former Finance and Corporate Services Select Committee on the Council's digital journey in February 2024 referred to the Digital Strategy being key to deliver a number of proposals; being closely aligned to service transformation and focused on leveraging technology to further enhance and streamline the Council's business operations, alongside promoting self-service models internally and externally. To achieve this the Council agreed on 22 February 2024 to an investment of £14,816k for a Corporate Technology and Innovation budget to 2028/29 with this investment driving the digital savings included in the Council's saving programme.
4. This investment is to deliver the Digital Strategy and as described in the Cabinet report, it is 'closely aligned to service transformation and focused on leveraging technology to further enhance and streamline the Council's business operations, alongside promoting self-service models internally and externally'. £5,270k is earmarked in the Council's savings programme in relation to this investment for the period of this strategy, rising to £5,670k by 2028/29.
5. To ensure the Digital Strategy and the associated savings are delivered at pace, delegated authority is sought for the expenditure of the Corporate Technology and Innovation budget (including all capital expenditure and contract awards).
6. The vision for our Digital Strategy is 'We will improve the way the council delivers services to residents by utilising technology. We will put residents first by enabling them to access the services they need quickly and at their own convenience, whilst also delivering more efficient and effective processes for council staff'.
7. Our approach to guide all our digital, technology and data transformation work will be guided by four principles:
  1. Prioritising customer needs
  2. Carrying out an agile approach to delivery
  3. Delivering new business models driven by data
  4. Taking a One Council approach.
8. Over the last few years, a considerable amount of work has been undertaken to lay the foundations for the Council's digital journey and enable this strategy. Some specific examples of this are:
  - a. Hillingdon were the first UK local authority to deploy an automated voice and web chat solution at scale. This has allowed residents to better self-serve and get a quicker resolution to their enquiry.
  - b. Delivery of a modern and flexible infrastructure, as well as a reduction in the number of IT applications.
  - c. Implementation of hybrid working, allowing for quick adoption of hybrid working post the pandemic.
  - d. Ongoing delivery of a programme of connectivity improvements, increasing bandwidth across all of our sites and across the borough. When the Digital

Connectivity Project started in November 2020, the Council was at 5% Full Fibre. The Council is currently at 75.27%, and in the top half of London Boroughs.

9. Over the last few months, the Council has been accelerating its digital journey by:
  - a. Starting to roll out new devices and the learning and development to utilise them across the organisation so the workforce can be as productive as possible.
  - b. Started using Microsoft Copilot to utilise its ability to use natural language to ask it to perform tasks – with the key benefit of improved efficiency; enabling people to do more in less time.
  - c. Accelerated business intelligence across the organisation with the delivery of a single view of the household, and dashboards for our key services to understand performance and manage demand.
  - d. Improved our applications and systems in the areas like social care, HR, finance, procurement and housing.
  
10. To support the delivery of this strategy, five priorities have been developed:
  1. Building services online by default - Residents expect services to be online and available on any device. People should be able to pay online, and experience seamless services from us. In turn this will improve resident experience' on our customer access team and business areas, and improve our resident, visitor and business experience.
  2. Better data, better decisions - All local authorities have a lot of data, but often lack the insight to make good decisions both internally and for residents. Better data, and the ability to use it wisely, brings a huge amount of opportunities from better decisions by understanding resident needs across multiple systems.
  3. Modernise our infrastructure & systems – a prerequisite is modern infrastructure with systems that talk to each other, highly reliable hosting and platforms, the best of commodity technology and modern, cloud-based and application programming interface driven architecture.
  4. Build digital capability and inclusion - A highly skilled digital, data and technology resource which can be deployed to support our ongoing transformation needs. We also need to upskill our employees to be confident with technology and use this to implement the digital elements of service delivery to better meet the needs of residents and support those who do not have digital access. And in turn, ensure residents are supported to have access to and use digital devices, or supported if they can't. This will be supported by the Council's Digital Inclusion strategy.
  5. Deliver a digital place - There is also an important role for the council in facilitating the use of digital technology to bring about further improvements within the borough, and the way it functions. This is increasingly important as Hillingdon, like many other areas, faces challenges from population growth, automation, congestion and the climate crisis.

11. To deliver these priorities, five programmes have been created:

1. Automations and Integrations – a projected investment of £1.4m in the medium term to develop seamless integration of our systems and automate our officer processes to enhance efficiency. Introducing a single front door for high-cost/high-demand services like social care and housing will simplify access for users. Leveraging AI will further optimize our processes, eliminating the need for manual minute-taking in meetings and reducing the time required for handling FOIs and complaints.
2. Business Intelligence – a projected investment of £2.65m in the medium term to deliver a single view of the customer / household. This will be used to drive evidence-based decision making to challenge current ways of working and service delivery models.
3. Customer Experience – a projected investment of £1.7m in the medium term to provide residents with an end-to-end customer journey, allowing them to stay updated on the progress of their enquiries or transactions either proactively or through our website. The revamped website will enable residents to easily and quickly find what they need and complete transactions. Additionally, our digital inclusion programme will equip people with the skills, connectivity, and technology to be digital, while prioritizing contact with vulnerable and digitally excluded residents.
4. Consolidating and improving systems – a projected investment of £2m in the medium term focused on replacing systems that are nearing end of life or are not fit for purpose, consolidating and improving them to enhance efficiency. This includes reducing the number of Education systems into one.
5. Enabling – a projected investment of £1.25m in the medium term to deliver new devices across the organisation and implement a learning and development programme to enable officers and Members to be more productive and utilise the technology we have.

12. The projected spend over the medium term for these 5 programmes are:

**Table 1: Programme Spend Breakdown**

Programme	2024/25	2025/26	2026/27	Total
Automations and Integrations	162	978	260	<b>1,400</b>
Business Intelligence	1,020	1,520	110	<b>2,650</b>
Customer Experience	820	620	260	<b>1,700</b>
Consolidating and improving systems	599	735	666	<b>2,000</b>
Enabling	310	548	392	<b>1,250</b>
<b>Total</b>	<b>2,911</b>	<b>4,401</b>	<b>1,688</b>	<b>9,000</b>

In addition, there is a £1m contingency in the programme.

13. The programme and projects for the remainder of 2024/25 and 2025/26 aligned to the table above are as follows, for Cabinet to agree:

- Automations and Integrations: Transforming our back-office processes and systems to significantly reduce any manual processes.
- Business and Intelligence: Automation of key business reports
- Business and Intelligence: Single view of the resident and household
- Customer Experience: New Hillingdon Website
- Customer Experience: End to end process improvements for residents, Members and officers
- Customer Experience: Advanced phone-based AI as our digital front door
- Customer Experience: Digital inclusion
- Consolidating and improving systems: Improving infrastructure and security
- Consolidating and improving systems: New planning system, social care, housing, waste and HR systems improvements, and new redaction software
- Enabling: New learning and development programme
- Enabling: New telephony platform

14. Hillingdon Council is committed to being a ‘digital-enabled, modern, well-run council’ as demonstrated by the investment made by the council this year. This investment will ensure a better digital experience for residents and the ability to transact with the Council 24/7 365 days. The council will improve its website so residents can get the information they need more quickly, and transactions will be automated so that we can divert our resources to the people that need our help the most. And through investing in tools for staff, as the Microsoft CEO (Satya Nadella) described “we will improve the productivity of our staff by removing the drudgery of process at work and speeding up the time to human ingenuity by removing the productivity drain in what people spend their time doing”.

## Financial Implications

Approval of the digital strategy will not have any direct financial implications in itself with the other recommendations contained in this report enabling the service to move at pace to deliver against the strategy and secure benefits for the Council.

As stated in the body of the report, Cabinet and Council approved a capital programme budget for Corporate Innovation & Technology for the budget strategy period of 2024/25 to 2028/29 of £14,186k, with June cabinet agreeing to rephase unspent capital budgets from 2022/23 into 2024/25 of £1,290k, taking the total investment for the period to £16,106k, with a digital saving of £5,670k included in the budget strategy through to 2028/29, with £4,200k of this falling within the remit of the Digital Strategy, with the profiling of this activity set out in the table below:

**Table 2: Budget Breakdown**

	2024/25	2025/26	2026/27	Strategy Period	2027/28	2028/29	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
February 2024 Approved Budget	2,042	6,122	3,384	11,548	1,634	1,634	14,816
2023/24 Rephasing	1,290	0	0	1,290	0	0	1,290
<b>Total Capital Programme Budget</b>	<b>3,332</b>	<b>6,122</b>	<b>3,384</b>	<b>12,838</b>	<b>1,634</b>	<b>1,634</b>	<b>16,106</b>
<b>Released to date</b>				<b>(3,914)</b>			<b>(3,914)</b>
<b>Remaining Capital Programme Budget</b>				<b>8,924</b>			<b>12,192</b>
<b>Programme Spend Breakdown (Table 1)</b>	<b>2,911</b>	<b>4,401</b>	<b>1,688</b>	<b>9,000</b>	<b>0</b>	<b>0</b>	<b>9,000</b>

Recommendation 2b in this report seeks to release the remaining capital programme budget that largely funds the activity as set out in the digital strategy, recognising that potentially £76k would need to be funded from either the capital general contingency budget or an increase to the budget via the refresh of the Council's budget strategy. The £4m Capital Releases to date include funding for the following projects:

- Refresh of the Council's devices
- Social Care & Education System Solution
- Data Analytics Platform
- HR Improvement Programme
- Microsoft Co-Pilot Implementation
- Libraries Online Booking System

Over the period of the Digital Strategy, 2024/25 to 2026/27, the payback period on the investment is approximately two and a half years.

It is worth noting that some of the investment will not generate savings and are critical in the replacement of core applications needed by the council. For example, the replacement of our planning application system which is going end of life.

**Table 3: Projected Benefits**

	2024/25 £'000	2025/26 £'000	2026/27 £'000	Strategy Period £'000
Digital Strategy	1,463	1,425	1,369	4,257

Benefits of nearly £1.5m are expected to be delivered in 2024/25 with a further £2.8m to be delivered in 2025/26 and 2026/27. Focussed on the three strategic programmes of Automation and Integration, Business Intelligence and Customer Experience, the digital road map seeks to deliver total benefits of £4.2m through leveraging digital, data and technology to deliver



transformational change in service delivery models as part of end-to-end service redesign to ensure cost effective and efficient ways of working. This will include implementation of a new data platform to enhance organisational analytic capability and strategic data driven decision making, and the utilisation of AI to drive efficiencies in council processes. The benefits delivered over the strategy period per Directorate are assumed to be:

	2024/25 £'000	2025/26 £'000	2026/27 £'000	Strategy Period £'000
Adult Services & Health	0	265	324	589
Place	0	124	151	275
Children & Young People	0	110	134	243
Finance	0	66	81	147
Central Services	0	58	71	130
Digital & Intelligence	1,463	802	608	2,873
<b>Total</b>	<b>1,463</b>	<b>1,425</b>	<b>1,369</b>	<b>4,257</b>

Each programmes benefits realisation plan will be signed off by Digital & Intelligence and the service directorates (client departments of Digital & Intelligence) to agree the targets and delivery details ahead of any expenditure being incurred.

This signed agreement will then be used by the Councils Chief Finance Officer to reduce budgets in service areas.

## RESIDENT BENEFIT & CONSULTATION

### The benefit or impact upon residents, service users and communities

The three-year Digital Strategy presented in this report provides the vision and a comprehensive framework of commitments to residents which seek to continue to enhance the Borough and continuously improve Council services to be modern, represent value for money and meet residents' needs.

Residents will experience an even better experience when interacting with the council in accessing services and information. They will be able to carry out simple transactions quickly and easily, with a more joined up approach ensuring they only need to make contact once.

The council will have a better understanding of our residents, through the smarter use of joined-up data. We will be using modern technology to join data sets and get insights which allow us to continuously improve our services and make better decisions.

### Consultation carried out or required

None at this stage.

## CORPORATE CONSIDERATIONS

### Corporate Finance

Corporate Finance have reviewed this report and concur with the Financial Implications set out above, noting the recommendation to agree the new Digital Strategy for 2024/25 to 2026/27 and release the capital programme budget for the first two years of the strategy to implement the planned programme of spend.

Releasing the remaining capital programme budget for the period of the Digital Strategy will enable the service to deliver against the planned programme as set out in the report to maximise benefits from the investments with the Council's budget strategy, after rephasing of unspent 2023/24 capital programme budgets and released funds to date, this recommendation will release £9m of capital programme budgets to fund the activity identified in this report, with savings of £4.2m being reported against this investment, with this report granting delegated authority to the Chief Digital & Information Officer, in consultation with the Corporate Director of Finance (s151) and the Cabinet Member for Corporate Services to decide how this is spent. Furthermore, it is noted that an annual report will be submitted to Cabinet that sets out progress against the strategy.

### Legal

Legal Services confirm that there are no legal impediments to the Council adopting the proposed Strategy which is in accordance with the outcome of the consultation.

## BACKGROUND PAPERS

- [Council Strategy 2022-2026](#)
- [Finance & Corporate Services Select Committee – February 2024](#)
- [Corporate Resources & Infrastructure Select Committee – September 2024](#)