



Audit Scotland report: Digital progress in local government

Committee Audit and Standards

Date of meeting 19 February 2021

Date of report 26 January 2021

Report by Assistant Chief Executive

1. Object of report

To advise the committee of the issue of an Audit Scotland report titled '*Digital progress in local government*'.

2. Background

On 14 January 2021, Audit Scotland published a report titled '*Digital progress in local government*'.

The report highlights that councils are at different stages of digital transformation and concludes that the long-term focus should now be on how digital technology can provide better opportunities and services for people across Scotland, with citizens placed at the heart of this process.

The report acknowledges that Councils have responded to Covid-19 by using technology to ensure many essential council services continue and supported thousands of council staff to work from home. However, the report also concludes further progress may be restricted due to a lack of staff with the right skills and insufficient workforce planning. Careful planning is needed to ensure the expansion of digital services does not widen existing inequalities.

The report adds that the current work of the Scottish Government and COSLA to refresh the national digital strategy provides an opportunity to drive digital transformation across all Scotland's 32 councils. Strong leadership and co-ordination at a national level is essential, to provide a consistent vision and clear direction.

The Audit Scotland report, issued separately, can be found at:

<https://www.audit-scotland.gov.uk/report/digital-progress-in-local-government>

3. Outline of findings

In 2015, the Scottish Local Government Digital Partnership (Digital Partnership) was established by SOLACE and the Local Government Transformation Board to drive the

ambition for all councils to be digital businesses by 2020. It is collaboration between all 32 local government organisations and other stakeholders involved in digital transformation.

In October 2016, the Digital Partnership established the Digital Office for Scottish Local Government (Digital Office). It supports councils to become digital businesses through delivery of a work programme focused on Digital Leadership, Digital Foundations and Digital Services. It has a small core team that provides support and digital expertise.

Key messages and recommendations

1. Progress and impact of Covid-19

Councils are at different stages of digital transformation. Progress is strongest where councils have focused on how digital technology can deliver better outcomes for people.

The pace of change has increased as digital technologies have played a vital role in the public sector's response to the Covid-19 pandemic. The response to the pandemic has also heightened the awareness of digital exclusion within some communities.

Audit Scotland recommendation:

To maintain momentum, councils should assess their progress, learn lessons, identify and address inequalities and barriers contributing to them.

2. Becoming a digital council

Clear vision and leadership, with workforce and community engagement, are essential for realising the benefits of digital transformation. Delivering change requires a culture of collaboration and innovation, as well as aligned strategies and plans, effective governance, and engaged and informed elected members.

Audit Scotland recommendations:

Councils should have a clear digital vision and strategy that sets out how digital transformation will deliver better outcomes for communities and people. The strategy should be supported by plans detailing actions, timescales and the required investment in technology, people and skills.

Councils should have a structured approach to collaboration and innovation, with staff given space and time to learn, test new ideas and put them into practice. Councils should actively collaborate through the Digital Office and other regional partners and stakeholders.

3. Citizens at the heart

The report states there has been a lack of citizen involvement in digital service design and not enough focus on outcomes in monitoring progress of digital programmes.

Audit Scotland recommendations:

To better understand the needs of citizens, councils should have a citizen and community engagement plan and ensure they have sufficient staff with the skills to carry out service design.

In addition, the report states a need to improve how councils monitor outcomes, including the adoption of a benefits realisation approach.

4. Workforce and skills

Insufficient staff capacity and digital skills are the most significant barriers to progress. While there are digital skills initiatives in place, but there needs to be better alignment with councils' wider workforce plans.

Audit Scotland recommendation:

Councils should conduct a staff skills survey to better understand what digital and data skills they have and what they need. Councils should have detailed workforce and skills development plans, including for leadership teams and elected members that align with digital transformation strategy and plans.

5. Data and technology

Councils are starting to develop strategies to make better use of data. Data standards, governance and ethics are important areas in which councils need to make progress. Legacy systems, however, remain a barrier to making a step change in digital transformation.

Audit Scotland recommendation:

Councils should understand their technology infrastructure more and have a clear plan to address legacy systems to create better coordinated solutions. This could include common platforms and shared procurement across the sector

Councils should continue to work with the Digital Office and Scottish Government in developing common data standards and a data ethics approach.

6. National leadership and collaboration

There needs to be greater leadership and clarity of roles at a national level, with consistent vision and direction across the sector. The Digital Office has enabled councils to collaborate, share knowledge and innovate. Opportunities exist for it to do more but this requires changes to how the Digital Office operates, how councils support it and finally how it is funded.

Audit Scotland recommendations:

The refresh of the digital strategy for Scotland provides an opportunity for all organisations which support the delivery of digital transformation in local government to set the vision and agree shared priorities. These organisations, including the Digital Office, the Improvement Service and councils, should:

- agree and clearly articulate their respective roles and responsibilities;
- identify where a shared approach would add value to developing and delivering common systems and platforms, and specialist skills;
- review the funding and delivery model for the Digital Office, to ensure it has the capacity and support to deliver on the agreed priorities; and
- streamline a work programme for the Digital Office, with each part of the programme having senior-level sponsorship.

SPT's response to the Audit Scotland report

Digital Transformation and associated matters including cyber security has been a significant focus for SPT over the last few years. The Audit Scotland report has been reviewed, and response to the specific recommendations as follows:

Digital Office

SPT is not a member of the Digital Office, but has and continues to liaise with the Digital Office and partner Councils on various workstreams e.g. SEEMiS and the upgrade of school transport systems. (**Note:** SEEMiS is the management information system used by the education departments of all Scottish councils. It is used for pupil and staff records, nursery applications, attendance, pastoral notes and communicating with external agencies.)

1. Progress and impact of Covid-19

SPT has maintained momentum on digital transformation initiatives during the pandemic, albeit much of this is being done from a work from home arrangement. Digital service provision has been enhanced to address barriers and inequalities, including videoconferencing to enable remote working arrangements for the operation of virtual Partnership and Committee meetings. This has also included an accelerated roll-out of digital equipment. Lessons have and continue to be learnt from the increased use of technology during the pandemic.

2. Becoming a digital organisation

SPT has a digital vision and strategy that sets out how digital transformation will deliver better outcomes for stakeholders. The strategy is supported by plans detailing actions, timescales and the required investment in technology, people and skills. These plans are subject to review as we learn lessons arising from the pandemic and available funding.

SPT has a structured approach to collaboration and innovation, with staff given space and time to learn, test new ideas and put them into practice. SPT continues to actively collaborate with partner Councils.

3. Citizens at the heart

SPT is reviewing plans to assess and put in place the appropriate staffing with the skills to carry out service redesign. Examples of how SPT has considered the user at its design include the work to implement smart concession Subway travel arrangements for eligible National Entitlement Card (NEC) holders. This was introduced in late 2019 following considerable work with Transport Scotland to deliver this. From December 2019 to October 2020, there were over 200,000 smart concession journeys on the Subway (more than 150,000 of which were in the period December to March 2020 prior to the national lockdown). These smart journeys saved more than 130,000 disposable single and return tickets being issued, as well as offering increased convenience for concession customers.

4. Workforce and skills

SPT has assessed digital and data skills required to deliver the agreed strategy and plans. This assessment identified a requirement to enhance Digital security skills and a recruitment process has commenced to address this issue.

5. Data and technology

SPT has undertaken a full analysis to ensure it understands the technology infrastructure and has as a result developed a clear plan to address the limitations of legacy systems. An example of these data and technology improvements includes the recent introduction of contactless payments which has been implemented in Bus and Subway stations.

4. Conclusions

On 14 January 2021, Audit Scotland published a report titled '*Digital progress in local government*'. Responding to Covid-19 has increased the pace at which Scotland's 32 councils are delivering services through digital technology with a step change in many areas. However, the Audit Scotland report identifies that greater collaboration, use of shared expertise, citizen engagement and strategic planning are needed, to fully realise the potential of digital technology for the benefits of all citizens and communities.

SPT has provided response to the key messages and recommendations outlined in this Audit Scotland report.

5. Committee action

The committee is asked to note the contents of this report and the Audit Scotland report titled '*Digital progress in local government*', and that further improvement actions will be incorporated within the digital strategy and delivery plans.

6. Consequences

Policy consequences	<i>None.</i>
Legal consequences	<i>None.</i>
Financial consequences	<i>None.</i>
Personnel consequences	<i>None.</i>
Equalities consequences	<i>None.</i>
Risk consequences	<i>As detailed in the report.</i>

Name Valerie Davidson

Name Gordon MacIennan

Title Assistant Chief Executive

Title Chief Executive

For further information, please contact Neil Wylie, Director of Finance.