

## **CONNECTED KNOWLEDGE INVESTMENT PROPOSAL**

### **1 Purpose**

- 1.1 The purpose of this document is to present the investment proposal for the delivery of Connected Knowledge (CK) strategy in a phased approach with the first phase starting in May 2017. The full Connected Knowledge Technology Strategy 2017-20022 was agreed at the 22 February 2017 Council meeting.
- 1.2 It is proposed that the strategy is implemented in a phased manner which will give the opportunity for the inevitable learning from the early phases to be presented back to Members in approximately 9 months time when proposals will be brought forward for the investment.
- 1.3 This document sets out the information to both support a decision to approve the funding for the first phase based on presentation of both the costs and expected benefits to be achieved by the first phase and to additionally provide an indication of the indicative costs of further phases to implement the full strategy including both a summary of the anticipated costs and benefits.

### **2 Recommendations/for decision**

- 2.1 That the investment specified in Section 1.0 of Appendix B (confidential appendix) be approved and funded so that work can continue on delivering a leading edge, forward thinking platform to enable AVDC to develop customer first processes, a streamlined internal operation and a framework for increased opportunities for external commercial sales.
- 2.2 That the indicative costs and benefits of implementing the full 5 year strategy outlined in Section 2.0 of Appendix B be noted, it being appreciated that at this stage both costs and benefits are expected to change as work continues on developing plans for future years.

### **3 Executive summary**

- 3.1 The delivery of the Connected Knowledge strategy will enable AVDC to continue at the vanguard of innovative thinking, delivering excellent Customer Service, making savings in delivering services and opportunity to generate income by both supporting general commercial opportunities and also by providing consultancy services to other Councils keen to emulate the approach being taken by AVDC.
- 3.2 The strategy will be delivered over a 5 year period, with benefits being achieved in a phased manner. This paper covers phase 1 of the delivery to the end of 2017. Inevitably there will be valuable learning from the first phase which will be factored in to the proposals for future phases. A further update will be provided to Scrutiny Cabinet and Council in December 2017 at which time proposals for implementation, funding and expected benefits for future phases will be presented.
- 3.3 AVDC has a good track record of delivering large scale, strategic projects of this type. Building the theatre, moving to the Gateway, moving IT to the Cloud and the Right Here Right Now programme to provide an advanced digital platform for Council Services are all examples of leading edge, high profile, transformation programmes that have been successfully delivered. The focus on the customer and staff experience, the leaning of processes, the security of the data, and the

exploration of new technologies are all part of the forward thinking approach to change the council model and become more commercial.

- 3.4 Phase 1 will require investment across three key areas:
- the introduction of process automation and customer self service
  - the removal of legacy technology and introduction of more flexible systems that will further support integration of data to enable customer needs to be anticipated
  - the introduction of innovative new solutions such as voice recognition enabling
- 3.5 Experience in prior major change programmes is that strong governance processes are required both to ensure that the programme delivers on time and to budget and that any variations to scope (and cost) are closely scrutinised and appropriately approved and, more importantly, to ensure that the predicted benefits of investment are achieved and banked.
- 3.6 The release of the funds during the programme (and the benefits realisation) will be closely monitored by the governance board to ensure ongoing value for money. With any major change programme of this type there will be inevitable changes as circumstances change, lessons are learned and customer needs evolve.
- 3.7 Phase 1 covers the foundational projects required to deliver future strategic and visionary elements.

#### **4 Supporting information**

Details of the full Connected Knowledge Strategy can be found on the AVDC website at <https://www.aylesburyvaledc.gov.uk/technology-strategy>

#### **5 Resource implications**

- 5.1 A programme of this size, scale and complexity requires dedicated people to ensure focus on delivery is maintained throughout the lifecycle and ensuring successful programme delivery.
- Programme Manager (1) – To manage, and control, the overall programme and the outcome it delivers.
  - Project Managers (5)– To deliver individual projects, outputs, within the programme. It is envisaged that one of these will be a senior project manager.
  - Business Analysts (5) – To complete detailed analysis into current process(es), costs, technology solutions and resources. To assist in project delivery.
- 5.2 AVDC staff (if/where available) will be used to fill programme roles and will be supplemented by external resource where a) there is insufficient internal resource, b) there is a requirement for a specific skillset which is not available internally within AVDC.
- 5.3 Additional [non dedicated] resource will also be required from other internal teams such as Communications and Marketing, Sales, Finance, Legal. Member involvement will be essential to assist with the direction and benefits realisation of the programme (see Programme Governance).

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Background Documents

<https://www.aylesburyvaledc.gov.uk/technology-strategy>

# Connected Knowledge

## Technology Strategy 2017-2022 Delivery

### Phase 1 Investment Proposal

#### Appendix A

**Version:** 2. Final for Submission

Date: 20<sup>th</sup> March 2017

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## 1.0 Purpose

The purpose of this document is to present the investment proposal for the delivery of Connected Knowledge (CK) strategy in a phased approach with the first phase starting in May 2017. The full Connected Knowledge Technology Strategy 2017-20022 was agreed at the Feb 2017 Council meeting. It is proposed that the strategy is implemented in a phased manner which will give the opportunity for the inevitable learning from the early phases to be presented back to Members in approximately 9 months time when proposals will be brought forward for the investment

This document sets out the information to both support a decision to approve the funding for the first phase based on presentation of both the costs and expected benefits to be achieved by the first phase and to additionally provide an indication of the indicative costs of further phases to implement the full strategy including both a summary of the anticipated costs and benefits.

## 2.0 Recommendations

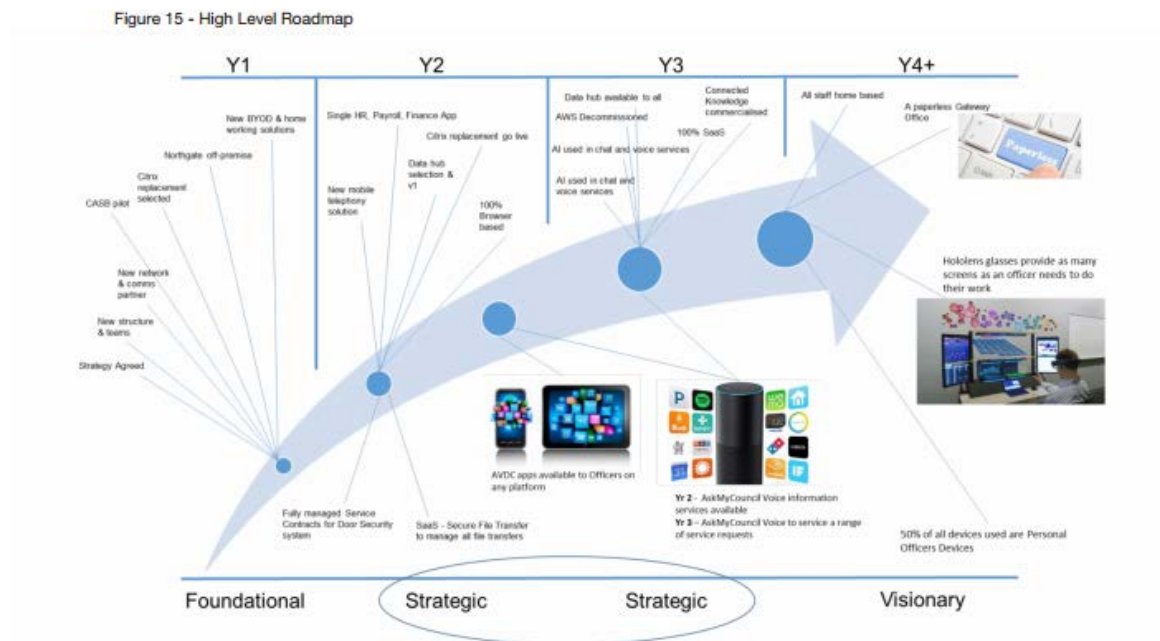
1. That the investment specified in Section 1.0 of Appendix B be approved and funded so that work can continue on delivering a leading edge, forward thinking platform to enable AVDC to develop customer first processes, a streamlined internal operation and a framework for increased opportunities for external commercial sales.
2. That the indicative costs and benefits of implementing the full 5 year strategy outlined in Section 2.0 of Appendix B be noted, it being appreciated that at this stage both costs and benefits are expected to change as work continues on developing plans for future years.

## 3.0 Executive Summary

The delivery of the Connected Knowledge strategy will enable AVDC to continue at the vanguard of innovative thinking, delivering excellent Customer Service, making savings in delivering services and opportunity to generate income by both supporting general commercial opportunities and also by providing consultancy services to other Councils keen to emulate the approach being taken by AVDC.

The strategy will be delivered over a 5 year period, with benefits being achieved in a phased manner. This paper covers phase 1 of the delivery to the end of 2017. Inevitably there will be valuable learning from the first phase which will be factored in to the proposals for future phases. A further update will be provided to Scrutiny Cabinet and Council in December 2017 at which time proposals for implementation, funding and expected benefits for future phases will be presented.

Phase 1 covers the foundational projects required to deliver future strategic and visionary elements (Figure 15 taken from the Connected Knowledge Strategy).



AVDC has a good track record of delivering large scale, strategic projects of this type. Building the theatre, moving to the Gateway, moving IT to the Cloud and the Right Here Right Now programme to provide an advanced digital platform for Council Services are all examples of leading edge, high profile, transformation programmes that have been successfully delivered. The focus on the customer and staff experience, the leaning of processes, the security of the data, and the exploration of new technologies are all part of the forward thinking approach to change the council model and become more commercial.

Phase 1 will require investment across three key areas

- the introduction of process automation and customer self service
- the removal of legacy technology and introduction of more flexible systems that will further support integration of data to enable customer needs to be anticipated.
- the introduction of innovative new solutions such as voice recognition enabling

Experience in prior major change programmes is that strong governance processes are required both to ensure that the programme delivers on time and to budget and that any variations to scope (and cost) are closely scrutinised and appropriately approved and, more importantly, to ensure that the predicted benefits of investment are achieved and banked.

The release of the funds during the programme (and the benefits realisation) will be closely monitored by the governance board to ensure ongoing value for money. With any major change programme of this type there will be inevitable changes as circumstances change, lessons are learned and customer needs evolve.

## 4.0 Background

AVDC have made great strides in the move to Cloud IT as the previous 5 year strategy was implemented. This has been recognised in the local government world with many other councils looking to emulate the changes made by AVDC and the winning of a number of awards.

The advances we made with our previous five year 'cloud' strategy (storing and accessing data and programmes over the internet rather than on local hard drives and servers) have created a strong foundation for the next five years, enabling us to think bigger and more creatively about the challenges and opportunities and how we are best positioned to benefit from them.

Previous projects have delivered numerous Service Delivery improvements. Some of these are highlighted below:

- New Aylesbury Vale District Council website
- Customer Self Service 'My Account' functionality
  - Look up council tax and benefits in real time
  - Ability to set up direct debit payments
  - Automated Garden Waste sign-up
  - Waste management system including missed, new and replacement bins
  - Booking service
  - Taxi self service booking system for MOT's and Disclosure & Barring Service (DBS) checks
  - Over 30,000 residents signed up for the My Account online services
  - New channel for contact to the Council with the web chat service.
- Single system (based on world leading Salesforce service) for customer contact
- Knowledge management system
- New 'Connect' intranet
- Move from face to face contact using technologies such as the smart telephone system, web access and webchat at times that are convenient for our customers.
- The above benefits have been major contributors to enabling the Council to restructure its operations allowing savings of £5m per annum to be achieved.

Following the formal approval of the Connected Knowledge Technology Strategy 2017 –2022 at the Feb 2017 council meeting, it was agreed that an investment proposal should be presented to Members for approval for the implementation of the strategy.

## 5.0 Connected Knowledge (CK) Programme

The programme consists of a number of projects which build on previous deliveries to enable AVDCs future vision of improved access to services, and increased levels of customer self service, through the use of better technology.

The programme will build on previous (2014-2016) service delivery improvements of the Right Here Right Now programme, further enhancing customer experience and delivering solutions which underpin a flexible, modern working environment.

The programme will streamline IT within the council, resulting in a reduction in the number of applications and associated licencing & support costs.

It will also deliver the technology service which delivers significant savings and is required to support the councils future commercial ambitions.

It will enable AVDC to move away from reliance on proprietary IT services such as Microsoft's Windows system and to a service which enables staff and Customers to access services using any device using a web browser.



Excerpt from the Connected Knowledge Strategy

"In year 1 of this strategy we will have; moved more key systems to cloud based software-as-a-service (SaaS – where software is licensed on a subscription basis and held for us by an external partner), published new policies and guidance on the use of ICT at the council, selected partners for the running of the network and telephony, established strong governance for the execution of this strategy and roadmap, and implemented a Cloud Access Security Broker (CASB – a software tool or service that sits between our customer devices such as PCs, tablets and phones, and the cloud provider's infrastructure allowing us to extend the reach of our security policies beyond our own infrastructure)."

Projects / initiatives include:

**Flexible working** - providing better solutions to enable more staff to work in the field, at alternative locations, or at home more effectively. This will include changing policies, providing alternative IT equipment, new applications. This will also free up additional floor space within the Gateway.

**Policy refresh** – updating policies to reflect changed ways of working and bring your own device

**Governance** - ensuring new IT solutions are in line with strategic direction

**Council in a Box / RHRN (CiB)** – working in partnership with our supplier we will develop a complete service offering IT systems, based on those delivered for our “Right Here Right Now” online automated digital platform, running in “The Cloud” and all the change and ongoing processes and procedures required to implement the automated setup being developed at AVDC. This is so that other Councils can purchase a complete “Council in a Box” service to be implemented with support from AVDC. Phase one of this delivery will create a complete set of Digital services for AVDCs business, putting in place the foundations required to deliver a CiB solution. This phase will focus on applications that will enable the move from the Uniform system to a Salesforce set of integrated applications.

It will create an effective and invaluable demonstrator of the benefits (at all levels) for the CiB proposition, making it much easier for AVDC to achieve sustainable sales and income.

**Cloud Applications** – Refresh or retirement of software applications used within AVDC, with applications moving to Cloud based solutions which require no residual software to be installed on either computer servers (whether in the Cloud or on AVDC premises) or PCs or other devices, minimising the level of IT support required.

**Telephony** – delivery of an updated cloud based telephony system which will enable a move away from traditional desk phones to smartphones with whilst reducing maintenance overheads and supporting Bring Your Own Device (BYOD) ambitions.

**IT Data and Voice Network** – delivery of new, flexible data networks based on wireless communication from any device to the Internet. This includes both the network connecting AVDC sites (the “Wide Area Network” or WAN) and a robust Wi-Fi setup which will support voice calling and all mobile devices. The solution provides the ability to increase/decrease network bandwidth (speed) in line with requirements, ensuring a cost effective solution which can be flexed to meet changing demands.

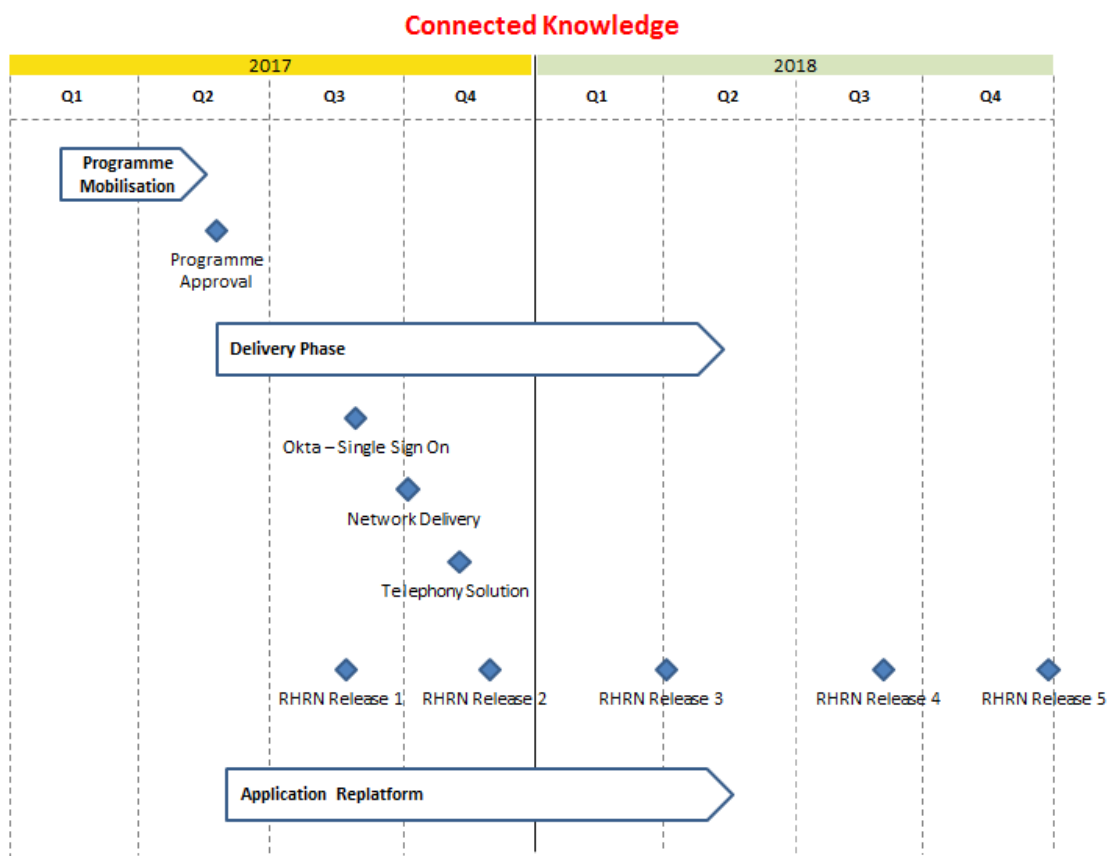
**Single ‘sign on’ / Staff Application portal** – functionality which will enable AVDC employees to securely sign on to a single portal to access their applications, from any device removing the need to log into each application or system separately. This will also eliminate the need for our staff to use the Microsoft Windows Operating system and thereby significantly reduce software licencing costs.



## 6.0 Timescales

It is envisaged that the overall strategy will be delivered within a 5 year window, with the bulk of activity being completed within the first 2 years. Inevitably circumstances will change during that period and it is expected that the strategy implementation programme will change. Timescales are dependent on having correct resourcing in place from the outset to ensure progress to plan. In line with best practise, regular reviews will be conducted during the programme lifecycle and will include focus on costs, timescales, resources and benefits. This evolution as we move through the programme of implementation is why we plan to implement a rigorous governance system which will involve Officers, Members, Suppliers and external review.

### Key Milestones [indicative timescales]



**March / April 2017** – Programme Mobilisation

**May 2017** – Programme Commences

**December 2017** – Return for further investment

## 7.0 People Required to implement the Strategy

A programme of this size, scale and complexity requires dedicated people to ensure focus on delivery is maintained throughout the lifecycle and ensuring successful programme delivery.

Programme Manager (1) – To manage, and control, the overall programme and the outcome it delivers.

Project Managers (5)– To deliver individual projects, outputs, within the programme. It is envisaged that one of these will be a senior project manager.

Business Analysts (5) – To complete detailed analysis into current process(es), costs, technology solutions and resources. To assist in project delivery.

AVDC staff (if/where available) will be used to fill programme roles and will be supplemented by external resource where a) there is insufficient internal resource, b) there is a requirement for a specific skillset which is not available internally within AVDC.

Additional [non dedicated] resource will also be required from other internal teams such as Communications and Marketing, Sales, Finance, Legal.

Member involvement will be essential to assist with the direction and benefits realisation of the programme (see Programme Governance).

Further resourcing details can be found in Appendix B section 3.0.

## 8.0 Programme Governance

A programme board will be set up to oversee the programme. The programme board will report into the AVDC commercial board and will be supported by the central AVDC Project Management Office

The key external partner will also want to ensure that appropriate governance is in place and state : *'Success of this project will not be determined by technology alone. Multiple decisions will need to be made during the projects, which will have significant impact on the program. There needs to be strong, multi-level and robust governance architecture, covering every stage, from individual sprints, to application deployments, architecture and strategy of the programme. This programme will be of strategic importance to both organisations and will have senior attention and governance'*.

The programme board will meet regularly and ad hoc as required, and will be comprised of senior members and Officers from both AVDC and our senior delivery partner.

The board will have overall responsibility for the success of the Programme to deliver the strategy and ensure that the promised benefits of the programme are fed back into the wider Council.

Fundamentally the Programme Board will ensure that the right things are done in the right way at the right time and that risks to the programme are being appropriately managed at all times.

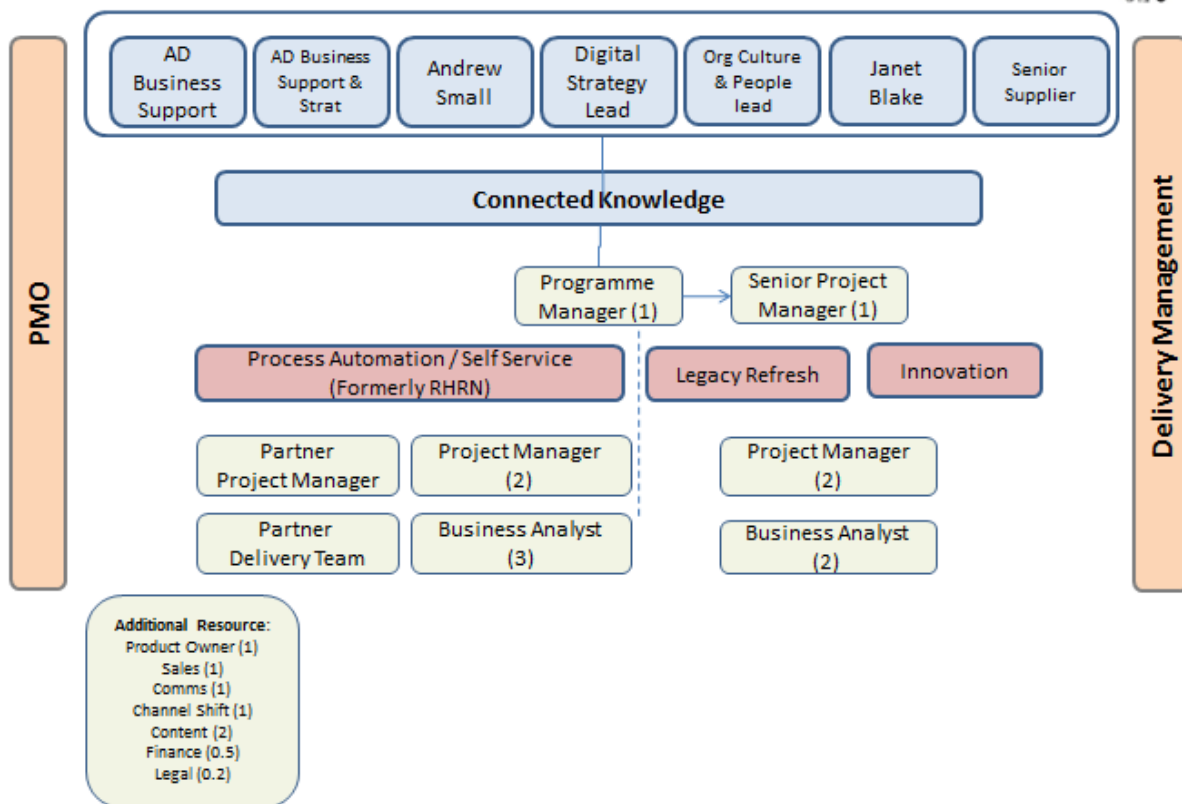
Specifically the board will:

- ensure that a comprehensive risk register is established and maintained and that risks are managed appropriately at all stages of the programme.
- agree and approve the overall programme delivery plan.
- ensure that controls and processes are in place to ensure that promised benefits from the programme are
- review progress reports from all ongoing projects
- approve projects for inclusion into the pipeline

- agree gain share credits with the supplier for each projects, and the mechanisms for their applications
- receive reports on sales activities and sales pipeline
- resolve all issues arising or escalated to the board
- approve annual gain share amounts, following reports / audits as appropriate commitment.

The role of the board, and individuals on the board, will be further defined as part of the Programme mobilisation.

## Programme Structure & Resourcing



## 9.0 Costs, Benefits and Funding

See also Appendix B section 1.0.

The majority of the investment is required to be spent in 2017, with the bulk of [cashable] benefits being delivered from year 3 onwards.

Benefits will be realised, primarily, via the following:

- [Reduction in headcount\*] due to the automation of processes
- Reduction of operational IT costs: licences, system retirement, desk phones, , amazon web services, general maintenance
- Reduced office footprint for AVDC staff as a result of modern, flexible working which enables rental of office space to third parties to generate income
- Commercial income: Commission from suppliers selling services based on AVDC expertise  
Conferences, Consultancy provided by AVDC to other organisations.

\*Severance costs are not included in business case. Accurate costs are difficult to predict at this stage of the programme. Using an estimate severance cost of £25k per position, and assuming no redeployment, the in year liability would be c£600k

It is worth noting that there are a number of [non-cashable] benefits which will also be delivered by the programme, these include:

- An agile modern network with increased reliability.
- With flexible working enabled across AVDC, a productivity gain across the workforce could be experienced. East Riding council experienced a 20% uplift in productivity as a result of introducing flexible working.
- Improved disaster recovery capability. A flexible workforce ensures service levels can be maintained in the event of a disaster scenario where employees cannot use, or attend, Aylesbury Vale offices. Scenarios include fire, weather incidents, bird flu pandemic, fuel strike, terrorism
- Environmental benefits, reduction in CO2 emissions due to less employee commuting,
- Delivery of this programme will maintain AVDCs position as an innovative leader within local government
- Provides a canvas from which to market commercial propositions to other local authorities/councils to generate sustainable sales and income

## 10.0 Programme Risks

Risk	Mitigation
1.0 Programme may not deliver the benefits detailed within the approved business case	Robust governance will be in place to monitor benefits, with reviews taking place at regular intervals throughout the programme lifecycle. Responsibility for benefit management, post programme completion, will be handed over to a named individual.
2.0 Programme Costs may increase	Robust governance will be in place to monitor budgets and spend, with reviews taking place at

	regular intervals throughout the programme lifecycle. A named individual from finance will work alongside the programme manager to ensure programme spend remains within tolerance, and to ensure any variation to forecast is noticed, and addressed, at the earliest opportunity.
3.0 Programme may not deliver to timescales	AVDC has a history of successful programme and project delivery, with large deliveries being broken up into smaller delivery components to reduce complexity and aid rapid delivery. Delivery of these components is spread across the duration of the programme and, when combined with robust governance, ensures delivery is achieved within agreed timescales
4.0 External suppliers may not deliver	AVDC will select suppliers that have a proven track record and will carefully govern delivery. Output based deliverables will be used at milestones.
5.0 External factors may impact programme	There are many external factors that will impact this programme such as the Unitary decision. These factors will be monitored as they develop and the impact evaluated at each decision point.
6.0 Internal resources not allocated to or are lost from the project	This programme is strategically significant for AVDC to enable delivery of the commercial future. The programme will ask through the corporate programme office for the right internal skills and try to ensure upskilling of internal staff takes priority over external staff.

## 11.0 Connected Knowledge Phase 2

Subsequent phases will build on the foundational projects from phase 1 to allow development of more sophisticated strategic solutions. A data hub will be created that can then be farmed and mined to provide customer insight and analytics. Staffing will be reallocated to provide resources to manage and utilise this data. Predictive and personalised analytics will provide improved service and commercial conversions.

Work will continue to remove legacy technology and the remaining applications will be moved to SaaS. Citrix desktops will be removed, browser only devices introduced, and AWS will be closed down. Secure integration services will be fully migrated to the cloud.

The transformational processes will be packaged into Council in a Box and commercialised.

Greater use of Artificial intelligence and smart cities projects will be launched.

During the first phase of the Connected Knowledge strategy proposed in this report further work will be carried out to refine those estimates and the plans for its implementation based on the learning and experience during the first phase.

A further report will be brought in December 2017 to both report on the progress and learning from Phase 1 and to seek approval for the expenditure and implementation programme for subsequent phases.