

Developing local digital leadership skills and capacity

One of four linked reports:
a digital vision for local government

Foreword

As Chairman for the Improvement and Innovation Board at the Local Government Association (LGA), I am delighted to introduce these four interlinked papers which set out the sector's position and priorities on maximising the opportunities of digital.

The imperative for local public services to fully exploit the potential of modern digital tools, technologies and approaches in order to improve delivery and save money has never been greater. We face rising citizen demand, needs and expectations at a time of severe spending and resource constraints.

Councils have a long history of investing in digital information and communications technology for the benefit of their localities, from the traditional finance and housing repairs systems that began to emerge in the 1970s through to the 'apps' and social media of today.

There are also many outstanding examples of radical IT-enabled service innovation – such as online school admissions or tele healthcare – being adopted across the sector, successfully transforming the citizen experience and reducing costs.

However, comprehensive improvement and development does not happen by chance in a sector as diverse and locally-responsive as local government. It requires close collaboration between central and local government and other partners, including the voluntary and private sectors and communities themselves, carefully targeted and managed investment in both local 'exemplars' and national infrastructure, a well-coordinated programme of support and communication, and – perhaps most important – leadership at all levels.

The first of the attached papers, 'Delivering better local online transactional services', highlights the specific opportunities to use digital tools and techniques to improve the ways in which citizens find information or carry out online transactions with local government while saving public money. It draws on research by the Society of IT Management and the Local Authority Contact Centre Benchmarking Group, as well as data from a range of individual councils, to demonstrate how councils have been increasingly interacting online with citizens with a particular focus on digitising 'top tasks'.

The paper makes a case for exploiting and promoting more effectively the assets and good practice already available in the sector as well as for designing and implementing some key pieces of common digital infrastructure from which all councils could benefit.

Our second paper, 'Transforming local services through digital', explores the wider potential of digital tools, technologies and approaches to support 'transformation' – that is the fundamental redesign of local services so that they deliver better outcomes, in a more targeted and timely fashion, at less cost. The paper argues that in a landscape where public service delivery is increasingly fragmented across different organisations, but in which joining up services around residents in a locality is essential, councils have a vital role to play as ring holders, 'place shapers' and community leaders. Technology too offers massive potential not just to make individual organisations and transactions more efficient, but to support innovative, collaborative

and transformative work to redesign services and to act as the 'glue' linking disparate service providers.

The paper concentrates on highlighting ways in which existing, place-based national programmes of public service reform in areas such as health and social care integration, the benefits system and troubled families could be substantially accelerated by greater digital innovation.

Our third paper, 'Developing local digital leadership skills and capacity', examines the vital topic of how the leadership skills and capacity required in local government can best be developed and supported, thereby enabling councils and their partners to apply appropriate digital solutions, deliver better outcomes, improve the experience of their shared customers and workforces and reduce costs. Leadership will also be essential if digital knowledge and assets are to be systematically shared and mainstreamed and 'exemplars' scaled up to the benefit of the whole sector.

The paper sets out a series of very practical steps for developing local digital leadership at councillor, senior officer and practitioner level, building on the work and models already in place in the sector.

Our fourth and final paper, 'Implementing programme leadership and support for digital', draws on the learning from previous successful national programmes of change. It proposes a set of operating principles and identifies a small number of practical options for establishing the coordinated programme required to drive forward the take-up of relevant digital tools, technologies and approaches across the local government sector and to tackle cross-cutting issues such as data sharing and procurement.

Taken together, then, the four papers set out a high-level case for investing in a well-structured and comprehensive programme of support to enable local government to maximise the citizen benefits and costs savings that can be generated from fully exploiting the potential of digital in the public services.

We look forward to working with government on this important and timely initiative.

A handwritten signature in black ink, appearing to read 'David Simmonds', with a stylized flourish at the end.

Councillor David Simmonds CBE
Chairman, Improvement and Innovation Board
Local Government Association

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1. Purpose of document

The purpose of this paper is to identify ways in which the leadership skills and capacity required in local government to understand and exploit digital tools and approaches effectively can best be developed and supported. This includes enabling councils and their local partners to apply appropriate digital solutions, delivering better outcomes, improving the experience of their shared customers and workforces, and reducing costs. It will also involve systematically sharing and mainstreaming any knowledge and assets created and scaling up appropriate 'exemplars' to the benefit of the whole sector, citizens and taxpayers.

The paper is one of a linked set of submissions to inform the Spending Review 2015 that will also address:

- how councils can use digital tools and techniques and exploit digital platforms to improve their online transactional services, so that citizens and businesses can find information or complete their dealings with their local authority in ways that are convenient to them and also save public money
- how councils can use 'digital', building on existing exemplars, to support the transformational place-based approaches to delivering outcomes that councils are seeking to implement in their localities in collaboration with local partners (including citizens themselves)¹
- the options for delivering the coordinated programme leadership and support, built on tried-and-tested programme management and invest-to-save principles, required to provide the necessary links between local, regional and national initiatives, to maximise the mainstreaming of learning and good practice across the sector and to tackle cross-cutting issues such as data sharing and procurement.

Taken together, therefore, the four papers set out a high-level case for investing in a coordinated and comprehensive programme of support to enable local government to maximise the customer benefits and cost savings that can be generated from exploiting the potential of modern digital tools, technologies and approaches in local public services.

Local Government Digital Programme Strategic Operations Unit:
senior programme leadership
cross cutting issues including data sharing and procurement

Transactions/Platforms

Transformation/Exemplars

Skills and Capacity

¹ For instance, through generating good customer insight, promoting prevention and behavioural change, enabling citizens and communities to become more self-reliant and designing services in new ways.

2. The context

Councils have experienced many pressures in recent years, including the need to:

- respond to cuts of up to 40 per cent in their finances over the period of the last Parliament (2010-2015), while preparing for further budget reductions in the forthcoming Spending Review
- manage increasing levels of demand from their communities, where people are living longer and requiring support as they grow older and/or face long-term health conditions
- deal with the implications of increasing birth rates, with more children requiring school places and support
- manage increasing levels of homeless and overcrowding among households
- respond to new responsibilities and changing working relationships across the public sector in areas such as public health, welfare reform and health and social care integration.

In the face of these challenges, councils have consistently built upon their local democratic mandates, the multi-partner relationships they have established over many years, and their ongoing engagement with their communities in order to 'shape' their areas and respond to local needs.

Working with residents, communities and other partners, they have been at the forefront of public service innovation:

- implementing devolved solutions and supporting the shift to place-based working
- reshaping services so they are better targeted and more user-focused, by applying new approaches based on customer insight and user-led design
- developing new delivery models including mutuals and cooperatives
- introducing a range of different shared service and shared management team arrangements
- setting up and operating multi-agency partnership teams, for instance to support troubled families
- working with residents to develop community-run services, such as volunteer schemes for libraries.

As the legitimate leaders of place, therefore, councils are ideally placed to drive forward the digitisation of local public services. However, they will need to be supported to do so.

3. The digitisation of public services

In parallel with the changes in local public services discussed above, there have been rapid developments in digital technologies and increasing levels of access to cheaper devices and tools in the population. As a result more of our citizens, businesses and employees expect to carry out their business online. The Office of National Statistics (ONS) reported in August 2015 that 39.3 million adults in Great Britain (78 per cent) accessed the internet every day² and 86 per cent of households (22.5 million) had internet access, up from 57 per cent in 2006, creating an opportunity for councils to further digitise services so they can be accessed online via a range of devices.

While councils have deployed digital technology successfully for decades and continue to do so the most comprehensive national technology programme to date in local government was the Local Government Online (LGOL) initiative that ran from 2000 to 2005.

Built on a partnership between national government, national local government bodies (specifically the Improvement and Development Agency) and individual councils, and backed by a central government investment of £670 million, the programme supported a major investment in councils' ICT capabilities, both customer-facing and internal.³ It enabled local government not only to make significant improvements in the experiences of both customers and staff but contributed substantially to the £4.3 billion of

efficiency gains made by the sector during the 2004 Spending Review.⁴

In recent years, councils have done much to make their information and services available via the web, as outlined in our paper 'Delivering better local online transactional services'. The foundations to support this were put in place under the LGOL programme. This has enabled greater numbers of residents and businesses to access their top transactions online and supported increased levels of mobile working among council workforces, thereby achieving efficiency savings.

However, since the LGOL programme there has not been a systematic and comprehensive local government programme of support in place to help councils understand and apply technology solutions to local public service. Most of this recent work has therefore been done on an individual council basis as opposed to being part of a sector-wide programme of digitisation.

Surveys of senior managers also suggest that the savings from further digitisation of transactions, although important, are unlikely to be sufficient to meet the financial challenges of coming years. The real opportunities to achieve radical savings, as our paper Transforming local services through digital argues, lie in applying digital approaches to transform local services investing in the appropriate

2 Internet Access Households and Individuals 2015, Office for National Statistics, August 2015 www.ons.gov.uk/ons/dcp171778_412758.pdf

3 This fund enabled the recruitment of a national team of expert staff to support the sector as well as specific, cost-justified ICT investments in individual authorities. The fund also financed the 22 national projects.

4 The Audit Commission found that Local councils in England met and beat the 2004 Spending Review (SR04) efficiency challenge making £4.3 billion total efficiency gains....The most successful approaches to improving back office efficiency during SR04 were redesigned business processes and improved use of Information and Communications Technology (ICT). See Back to front efficiency of back office functions in local government, Audit Commission, October 2008, pp.5-6.

tools and technologies to underpin multi-agency working around shared customers. For example, enabling the staff from the wide range of agencies interacting with troubled families or helping older residents to continue to living independently to work more efficiently by providing a full picture of their clients' needs and eliminating duplication of effort.

To achieve such a collaborative approach will require strong leadership of place to bring together the different organisations operating locally, change current ways of working and organisational cultures so that the customer is put at the centre, and encourage greater data sharing and integration of processes and systems.

Those councils that are proving successful in meeting these challenges have also benefited from leaderships who understand the benefits of digital and drive their organisations to apply digital solutions to support a wider programme of transformation. However, not all councils currently have such digital leadership skills and capacity.

Our belief is that, based on its track record of public service reform, local government could achieve a further major leap forward in its application of digital tools and approaches through the systematic development of a leadership skills and capacity that understands the benefits and risks of digital and applies this knowledge to local public services on a place basis. The remainder of this paper focuses on how a programme of support might be designed.

4. Developing leadership skills and capacity

Digital leadership is not simply about creating 'digital' skills and capacity per se but about embedding an understanding of how digital tools and approaches can help councils to better meet the challenges they face including reduced finances, increasing levels of demand, and the need to work in different ways within a devolved model of local public services.

This requires engaging council leaders, senior councillors, chief executives and senior officers in ways that resonate with them. We know from our work with councils that many leaders and chief executives already see the benefits of digital and have digitised their top transactions, thereby enabling greater levels of self-service among local residents and businesses. Many have introduced digital tools to enable their staff and councillors work more effectively while out of the office.

However, we are also aware that, in some councils, digital is still seen as the responsibility of those leading on ICT and, as a consequence, is not recognised as an enabler of wider transformation or a resource to be utilised across all services.

Building on the example set by the recent GDS programme, Government now needs to invest in developing the skills, capacity and co-ordination required to deliver an effective local government programme of support and development activities. This will enable the sector rapidly to maximise the savings and benefits from implementing well-designed transactions and digital solutions consistently across key local services.

In particular, we need to design a programme of support for leaders that will highlight and embed an understanding of digital as a key enabler for all local public services.

Such a programme will need to help leaders to:

- develop a realistic understanding of what digital can do for their customers/workforce/organisation
- better understand the marketplace for services and technologies in order to ensure better value for money in procurement
- see how digital approaches can be applied to local public services and what user insight is required before you start
- appreciate where investments in digital have already been implemented successfully and delivered tangible benefits to residents/businesses and the organisation
- recognise what resources, including appropriate skills, are required to implement digital tools and approaches in a public sector context
- identify potential opportunities to apply digital solutions to services in ways that will make a real difference to their customers/workforce/the wider public sector.

5. The proposed programme of support

The leadership teams in different councils will require different levels of support depending upon their current understanding and experience of the digital agenda. Therefore they will need a range of options from which they can select the appropriate elements.

The aim is to support the leadership teams in a number of ways including by providing:

individual support

- the opportunity to discuss digital with their peers
- the tools to challenge their own and partner organisations
- the tools to understand and challenge the supplier market
- an environment in which to collaborate more effectively with place-based partners
- access to good practice exemplars.

The following is an outline of the different elements of a coordinated package of support for that would help leaders, senior councillors, chief executives and senior officers across local government to better understand the benefits of digital and, as a result, to apply digital solutions effectively to local public services.

Chief executive round table discussions the LGA working with Solace would run a series of invitation-only regional round tables inviting chief executives and corporate directors to discuss the role of digital in meeting their challenges including devolution, health and care integration, welfare reform, etc.

Each of the round tables would be addressed by a chief executive/senior officer who has delivered digital solutions in his or her own council. The round tables would operate under the Chatham House rule, enabling an open and honest exchange and an opportunity to ask basic questions.

Member Leadership Academy the LGA would develop and add further modules to the existing LGA member leadership programme to help senior councillors understand the opportunities and risks around the digital agenda.

The Digital Academy a place-based model to develop skills and capacity amongst a cadre of senior officers from the different public sector organisations operating in a place, e.g. police, health, fire and rescue, local authority and appropriate central government agencies. This would replicate the various successful models already operating including the joint Cabinet Office and LGA Commissioning Academy. These officers would go through a series of modules over six to eight sessions spread over a six to nine month period. The aim would be to develop the participants' understanding of how they could apply digital tools and approaches to support more effective joint working, for example by integrating health and social care more closely.

Peer review and challenge the aim here would be to link digital to the LGA's wider work on improvement, building specific questions / areas to explore into the key lines of enquiry within the existing corporate peer challenge (as opposed to creating a separate digital peer review).

This would help to identify and challenge what the council under review is already doing, for example by probing what digital tools and approaches they are using to support their work to transform how they deliver services and become more efficient. The peer review would highlight opportunities for digital improvement and signpost good practice and solutions already delivered elsewhere, helping to mainstream what works and reducing the need to reinvent the wheel.

Digital champions' network – a network of known digital leaders/champions who have overseen the implementation of digital programmes in their own organisations. These need to be individuals in senior roles (members and officers) who will help drive the sector's take-up of digital. They will share their passion and enthusiasm as well as their 'know how' and insights in order to help others better appreciate the benefits and risks of different digital approaches. This can be through formal pre-arranged 'open' sessions, for example roundtable discussions, or through acting as advisors/mentors to their peers.

Digital good practice database – an online place to search for examples of good practice, case studies and reports. The contents of the database will highlight the work carried out both across the public sector and relevant examples delivered in other sectors.

6. Next steps

The proposal to develop digital leadership skills and capacity in the sector would form an integral part of the wider programme of digital support set out in the LGA's complementary submissions to the Spending Review (see section 1 of this document). In each case there will be further work to do to flesh out the detail of the proposed programme elements.

However, we strongly believe that without a comprehensive effort to develop the sector's digital leadership skills and capacity, the other parts of a programme are unlikely to achieve their full potential. This paper, therefore, although short, represents a vital building block in the sector's overall approach to developing digital excellence.



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