Manchester City Council
Report for Information

Report to:	Resources and Governance Scrutiny Committee – 8 February 2022
Subject:	Future Shape of the Council – Digital, Estates, Ways of Working and ICT strategy
Report of:	Deputy Chief Executive and City Treasurer

Summary

This report has been written to provide an update on the Future Shape Programme including an update on Development of the ICT Strategy and the Estates Strategy (linked to how we work) and how they relate to the programme.

Future Shape of the Council is a two-year transformation programme designed to enable MCC to be in the best possible shape to deliver its ambitions as set out in the Our Manchester Strategy whilst meeting the external challenges the council face from budget pressures and the response and recovery to Covid 19.

The digital agenda, Estates and Ways of Working forms a major workstream within the Future Shape programme and ICT support will be integral to its successful delivery. This paper sets out this work.

Recommendations

That Scrutiny note the contents of this report and the changes that will be required over the next few years to deliver this important agenda.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city
The Future Shape of the Council aims to improve the Council's efficiency and effectiveness in the context of reducing our carbon impact including in areas such as estates, printing, and travel. The successful delivery of the digital and ICT approach will be integral to this.

Our Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The Future Shape of the Council Programme is designed to strengthen the delivery of the priorities in Council's Corporate Plan, and as a result, all the Our Manchester Strategy outcomes. Some of the workstreams will also have a more direct impact as outlined below.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	There are circa 27,000 residents in the City who are digitally excluded, with a significant correlation with social inclusion. As part of its response to Covid MCC has supported 800 residents with a combination of devices, data & skills support to help them get online. This work is being continued in the current financial year. The Joined-Up Health and Social Care workstream will support the successful implementation of integrated Health and Social Care improving health outcomes for residents.
A liveable and low carbon city: a destination of choice to live, visit, work	The Place Based and New Approach for Housing workstreams will support improved services in neighbourhoods
A connected city: world class infrastructure and connectivity to drive growth	The Council adopting technology and delivering digitally makes a positive contribution to Manchester's ambition to be a leading and inclusive Digital City.

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

Future Shape of the Council and Arrangements for the Integration of Health and Social Care, Executive Report, March 2021

Provisional local government finance settlement 2022/23 and budget assumptions, Resources and Governance Scrutiny, January 2022

Future Shape of the Council – Digital and ICT workstream, Resources and Governance Scrutiny, June 2021

Driving Digital Inclusion and Bridging the Digital Divide in Manchester, Communities and Equalities Scrutiny, December 2020

1.   Introduction

1.1   Future Shape of the Council is a two-year transformation programme designed to enable MCC to be in the best possible shape to deliver its ambitions at set out in the Our Manchester Strategy whilst meeting the external challenges the council face from budget pressures and the response and recovery to Covid 19.

1.2   This Report has been written to provide an update on the programme with a particular focus on the development of the ICT Strategy and the Estates Strategy and how they relate the programme.

1.3   This report includes:

- The Future Council programme objectives and overview of workstreams.
- An overview of the digitally integrated council workstream.
- The role of ICT in the successful delivery of the programme, along with progress to date on the draft ICT Strategy and future target operating model for the service.
- The role of Estates and ways of working in the successful delivery of the programme

2.   Context

2.1   A report was brought to Resources and Governance Scrutiny in January on the Local Government finance settlement and implications for the Council's budget. The report sets out that around £7.8 million savings and mitigations, are required to deliver a balanced budget in the financial year 2022/23 but the position is more challenging over the three-year period with a budget gap of c£37m in 2023/24 rising to £57m the following year. Part of the work to address the budget position will be through the financial and operational benefits that the Future Shape programme can deliver.

2.2   The budget context is important for considering the next phase of the Future Shape of the Council programme. The wider changes that are also important for the Future Shape work include:

- Further embedding the Northwards Housing organisation within the Council following the transfer into the Council in 2021, as part of the next Housing Strategy for the city
- The next phase of Health and Social Care integration for Manchester, in the context of the establishment of a Greater Manchester Integrated Care Board (ICB) and Integrated Care Partnership (ICP)
- Planning for the replacement of the council's main Finance and Human Resources information system (SAP) which will be at end of life in 2027

3.   Future Shape of the Council

3.1   The programme is being delivered through five key workstreams and one enabler:

- A digitally integrated Council: To embed a digital first approach across the council ensuring this is the best option to meet residents needs, ensure both staff and residents have the skills and can access online services and putting data and intelligence at the heart of decision making.
- A more purposeful and effective Core: with a collective vision and operating model, improved systems and processes (including the replacement of SAP) and enabled through a culture of high trust, accountability and inclusion.
- Building the future for MLCO: Further develop the effective support and partnership arrangements between MCC and the MLCO codified through the s.75 (MCC/MFT) and supporting frameworks, including data sharing and other back-office functions that are embedded within the MCC Core operating model. Coordinate effective delivery through our integrated place-based approaches, ensuring population health management and support to people to achieve better outcomes is central to the methodology.
- A new approach for housing: to further integrate Northwards housing delivery service into the Council including through back-office functions.
- Embedding place-based working across the council: ensure our workforce, processes and decision making fully embed and consider the role and needs of our diverse neighbourhoods with specific focus on financial planning, data and intelligence, Communications, and connecting with other programmes of work that have a place focus e.g., Children's Locality Plan.
- Organisational development, culture, and behaviours (enabling workstream): Supporting and enabling the organisational culture to meet the opportunities, challenges and expectations of the changes required.

3.2   Considerable progress has been made in each area. The Council has managed complex and difficult changes; bringing ALMO (Northwards Housing) back in house and agreeing the financial and support arrangements that underpin the Manchester Local Care Agreement, including a Section 75 agreement with Manchester Foundation Trust. The new customer model is in place and the procurement for the replacement of the CRM system is well advanced with extensive engagement on how the council will work with residents. The Core has delivered savings of £5.7m in 2021/22 and work is well advanced to review key processes and prepare for the replacement of SAP which needs to be in place by 2027 when the current system is no longer supported.

3.3   This report focuses on the inter-related issues of the digital workstream of Future Shape, the development of the Council's next ICT strategy and the associate target operating model, along with our future Estate and ways of working.

4.0   A Digitally Integrated Council Workstream

4.1   A previous report was bought to this committee in June 2021 outlining the work in this area. To recap, the Digital Workstream has five critical programmes to deliver. These are set out along with a short progress update below.

The successful implementation of the Resident and Business Digital Experience Programme (including the replacement of the existing customer relationship management system and introducing an integrated platform so that council front-facing systems interact to the benefit of our residents and businesses).

4.2   The Council is currently in the process of selecting a technology and implementation partner who will work with us to select, develop and implement the new digital technology platform as well as work to ensure the planned improvements for residents and businesses are delivered. The contract award for the technology partner is scheduled for March 2022. A further tender was issued to provide digital consultancy in order to provide guidance on the adoption of RBDXP and the formation of a digital team to support it on an ongoing basis. The team will be grown in phases and applications have been received for the first phase. It is anticipated that services will move over to the new technology platform from the summer of 2023.

4.3   A data protection impact assessment has been drawn up for the programme and the Councils equalities team have been engaged in the creation of an Equalities Impact Assessment for the programme.

Improvements to our data management and data integration, including a new data management policy.

4.4   The purpose of the Data Management theme is to provide a framework for how the council will manage, govern and develop information and data management practices to ensure statutory, regulatory and business needs are met, whilst maximising the potential of the data the council hold to inform decision making and service planning.

4.5   Work over the summer of 2021 including best practice reviews, discussions with experts and engagement sessions with staff, has resulted in a set of draft data management principles in which the Data Management Policy will be set. These are:

- Principle 1 Data Ownership: be clear on who owns the data
- Principle 2 Data Quality: the creation, maintenance and development of quality data needs clear processes to be defined
- Principle 3 Data Systems: all systems should be procured, implemented, and maintained to be compliant with agreed data standards
- Principle 4 Data Skills: all staff who create, use, maintain and extract data are trained so that they handle data appropriately

- Principle 5 Data Use: treating data as a council asset and using it in the most efficient and impactful way

4.6 Work is currently finalising the policy and principles, alongside a 2-year implementation roadmap. This will ensure that the basics are in place to enable the council to gain the maximum insight into the information held to inform decision making.

Supporting our residents and staff to develop improved digital skills and tackling digital exclusion.

4.7 The Council wants to support residents, businesses, and partners to interact with us by offering good quality, accessible technology that is easier than other methods, so that digital becomes the access channel of choice for most residents in their day to day dealing with the Council. Manchester's ambition is to enable people to be confident and independent online users. The Council's Digital Inclusion Team which within the Libraries Service, have for the past two years worked with partners to get more people online - providing a combination of devices, data and wrap around digital skills support to residents who could not get online. Given the importance of digital to the way we work, learn and live, the Council is continuing to deliver its ambition through the Digital Inclusion Action Plan.

4.8 The five overarching goals of the refreshed 2022 Digital Inclusion Action Plan are to:

- Increase the use of accessible data and research to create and measure digital inclusion initiatives.
- Support community organisations and key services to build capacity of digital inclusion delivery.
- Test and scale up more longer-term access to kit, data and skills support initiatives.
- Raise the profile of the role of Libraries in delivering digital inclusion and fixing the digital divide.
- Strengthen the city council's role in advocating and advancing digital inclusion through key services and programmes.

4.9 There will be further reports on digital inclusion which is also connected to the new Digital Strategy and Action Plan for the City. Although the purpose of this broader strategy is out of scope of Future Shape it is important to maintain a connection with this work. The Council's wider Digital Strategy includes the wider city infrastructure and how residents and businesses engage with digital services in the city.

4.10 ICT improvements for staff connectivity is outlined in section 5 below. This work is further enabled by the culture change programme which embraces these changes and transforming how we work both internally and with residents. The core principles of the programme are:

- Our sites will be hubs for collaboration, and our connection to the City and our communities will remain strong.
- All staff will spend a proportion of their time working on site to support team development and morale.
- Service delivery is the priority and all staff will have some form of flexibility to support their wellbeing and balance pressures outside of work.
- All staff will have the basic tools to do their job in any location.
- Managing, supporting and developing staff is key and will improve under these new arrangements.

4.11   As part of this work a programme to support staff digital literacy is being developed.

Streamline processes to improve delivery and ensure staff can focus their skills and attention on work which adds value both to them and the organisation.

4.12   A pilot to help automate the processing the Verification of Earnings and Pensions (VEPs) process has been agreed and a project team has been set up to progress the procurement and implementation of the new service. The ambition is to free up staff time so that they can concentrate on more meaningful tasks.

Implement a new intranet system that informs and engages staff in a new and exciting way whilst ensuring the council is compliant to The Web Accessibility Guidelines (known as WCAG2.1) for improving web accessibility and ensuring equal opportunities to access content.

4.13   This has been implemented and the new intranet is now in place. Work is ongoing to further develop functionality and engagement.

5.0   ICT & Digital Strategy and Future Operating Model

5.1   For this workstream to achieve its ambitions and to enable the transformation that the Council needs to undertake, Information and Communications Technology (ICT) will underpin most of the activity. ICT are currently developing an ICT & Digital Strategy with a supporting Future Operating Model with input from external expertise. This is to ensure that ICT continues to support the Council in the right way, as business need and technology evolves over time.

5.2   The main objectives are to:

- action the ambition to be a Digital-first and Cloud-first organisation
- align to the Council's wider Digital Strategy
- align to other MCC strategies, and policies and developing initiatives e.g., data management policy
- move IT provision from traditional transactional service to a more strategic and influencing focused service
- deliver secure, stable, and compliant operational services

- innovate and influence new ways of working through exploitation of modern technology
- establish a customer focused ICT & Digital organisation that offers great customer experience and seamless technology services.

5.3 The ICT service are currently delivering several major projects to improve resilience, replace old legacy systems and improve functionality and support the changes the council needs to make. These projects are outlined below.

WiFi

5.4 Increasing and improving Wi-Fi within our buildings will enable agile and flexible working. Current Wi-Fi provision varies considerably across Council sites with public Wi-Fi available in public-facing areas of some buildings, however there are currently fewer than ten sites that provide wireless connectivity for staff using Council devices. This is being overhauled as part of a wider refresh of our ICT network to provide a Wi-Fi service in all Council buildings, which will support staff, public, partner, and guest access. To support neighbourhood working, an interim solution in District Offices has been installed until the longer-term solution is rolled out, work is ongoing with frontline services to prioritise sites for the rollout.

Network to our Buildings

5.5 Upgrading the wide area network (WAN) connections into our sites will enable colleagues and users in our buildings faster and more reliable access to resources, with sites increasing bandwidth by at least a factor of ten. These upgraded networks provide a platform for collaborative technologies such as meeting room audio visual to operate efficiently within. The project is due to complete in April 2022 with over 100 upgrades completed to date.

End User Device

5.6 The End User Device (EUD) project started in 2020 and will continue in 2022 to replace all non-compliant, outdated, low specification devices and move to a single future proofed, role appropriate, fit for purpose device. This will standardise the offer to councillors and workforce (except where specialist equipment is required) and both rationalise the number of devices and ensure they are appropriate to the different roles within the Council. The new technology will ensure our key workers have the correct device to deliver an excellent service to our residents whilst also providing a platform to drive future improvements and efficiencies.

5.7 This new technology will be based around the principles of simplicity of use and accessibility, moving users to a single device that will work wherever it is best for their role, giving secure access to council systems, telephony and to collaborate with colleagues. This will reduce our estate to a single device per employee in most cases, based on their role. This will also enable the council to fully utilise the new technologies now in place, such as Office 365

and 8x8 (Telephony). The new energy efficient technology will also contribute to the Council's carbon neutral commitments.

5.8   Over the last 12 months the project has faced some significant challenges including the global supply chain shortage of components, price rises and Covid restrictions which impacted the initial roll out of equipment. Despite these challenges, the project has successfully issued over 2,600 new laptops, bags, and locks to key services across the council. Phase 2 of the EUD device roll out will commence from February 2022 and will issue over 1400 new laptops to front line social workers via local collection hubs. The project will also replace monitors across 222 locations which are end of life, will remove Wyse terminals (3800) which have been outside of the manufacturer's warranty since 2018 and any outdated desktop PCs that do not support our technology solutions such as softphone telephony (8x8) or MS teams calls /video capability. The project has now successfully recycled over 1,500 of the Wyse terminals and work will continue to ensure all remaining terminals are removed before April 2022.

Meeting Room Technology

5.9   Improved meeting room and collaboration spaces will support different needs such as hybrid meetings and collaboration with other organisations. A pilot is being developed which will test different types of meeting room equipment in different locations across the MCC estate. The pilot should be in place by the end of March 2022. The learning from this pilot, feedback from users and external expertise will then result in the development of a business case and a choice of technology for the meeting rooms. Any technology implemented in the meeting rooms will be simple to use, secure and accessible. It is anticipated that delivery of this project will start in Summer 2022 and take approximately eighteen months to complete.

Infrastructure and Applications

5.10   A review of all infrastructure and applications has enabled the council to move towards more standardised applications, this allows the council to ensure work is done following best practice and improves the overall quality of service delivery. The Council's ICT environment has seen significant change as a result of new ways of working and continued adoption of cloud-based systems. Looking to the future it is now time to review and prepare this environment to meet new demand and future ways of working. The Infrastructure project has analysed the Council's ICT environment and produced a comprehensive catalogue of applications and technology services. The information contained within the catalogue is now supporting a detailed investigation into more efficient and flexible ways to deliver infrastructure services that is looking to take advantage of cloud-based hosting alongside more traditional physical hosted models. This work will provide strategic direction for infrastructure hosting and will be closely aligned to the ICT Strategy and Future Operating Model (FOM) work.

5.11 The Council has made significant progress since the last update in removing old systems, improved security patching of current ones and decommissioning old hardware. The old social care case management system and associated system have been decommissioned with the move to Liquid Logic and EYEs, along with a number of historical systems that are no longer required. Plans are underway for the next phase including:

- Customer Relationship Management (CRM) with the RBDXP Programme as outlined earlier in the report.
- Replacing the SAP system that currently provides the Council's HR, Finance and Payroll Systems by 2027 when the current system is no longer supported.
- System Integration engine that allows systems to 'connect' to each other and pass data securely to where it is needed.

5.12 These new systems will adopt the latest technologies which will see much more workflow of transactions, user self-service, and assisted decision making that will enable a significant number of manual transactions or processes where there is simple processing of requests, to be automated. The full impact of this is currently unknown and will be addressed in individual business cases but time-consuming actions such as copying, filing, cutting and pasting into other systems will stop being the norm. There is a subgroup currently investigating this and exploring the different technologies available in more detail.

5.13 The council will move to more modern technology platforms with cloud hosting being the norm. This will give us greater scalability, resilience, and flexibility in how our systems are securely accessed and updated. Investing ICT expenditure in organisations with strong sustainability credentials that focus on energy efficiency will support carbon neutrality for the city, as well as supporting remote access across different devices. This will see the ICT service move to being much more agile in its delivery, adopting low code solutions that needs less programming and which are much more about the mapping of business workflows into the IT solutions.

5.14 In conclusion, ICT are working intrinsically with the business to support corporate objectives and as such the new strategy will reflect the ambitions now and in the future as the organisation evolves. It is envisaged that the first draft of the ICT & Digital Strategy will be available in the new financial year for approval, with the key supporting technology initiatives being implemented as set out in this paper. Line of business applications will continue to be replaced with more modern technology platforms as underpinning contracts expire and before the technologies go out of support.

6.0 Estates and Ways of Working

6.1 The current and future requirements of the workforce and the ICT workstream shape the estate strategy, both in terms of the overall estate requirements and different requirements for offices across the estate. Some practical examples

of how Estates supports the delivery of the Future Shape Programme are set out below.

6.2   In the Town Hall Extension, the Customer Service Centre has been redesigned onto a smaller footprint in line with the new service model. Officers are developing proposals for the surplus space, including provision of larger meeting and collaboration spaces.

6.3   To support the further integration of Northwards Housing into the Council the Estates and Facilities Service has driven the rationalisation of the Northwards office estate, relocating Northwards teams out of rented accommodation in Hexagon Tower, consolidating into the existing Northwards neighbourhood offices and the Town Hall Extension. The surrender of Hexagon Tower was completed in November 2021 and has saved the organisation c£377k in annual rent and running costs.

6.4   In February 2021, Education Services were relocated into the Town Hall Extension. This was made possible by adopting a smaller office layout, based on the Our Ways of Working approach. This relocation allowed the disposal of rented accommodation at Universal Square, saving c£210k a year in rent and running costs.

6.5   Moving staff out of rented accommodation at Bridgewater House and Peter House is currently underway, avoiding extra costs to the Our Town Hall Decant budget.

6.6   The further integration of Health and Social Care is supported through the development of the Gorton Hub, where construction activity is onsite and due for completion in October. The relocation of the Manchester Local Care Organisation corporate functions into the Town Hall Extension is due in February and support to Manchester Health and Care Commissioning to redesign and transform their Parkway offices to support new ways of working, was completed in September 2021.

6.7   The other key work area impacting on the estate is how the estate is configured to support the changing needs of our workforce. The Estates and Facilities Service have adopted the following principles for the office estate:

- Cost and carbon efficiency: The council will reconsider our use of expensive and inefficient buildings and make capital investment in the buildings we retain.
- Supporting localities: Physical offices remain the cornerstone of our estate strategy, rooting teams in the localities they serve, creating a visible presence across Manchester's communities. The council will maintain a strong office presence both in the City Centre and across our neighbourhoods.
- Supporting teams and partnerships: Enable people to come together – supporting collaboration and connection through co-location.

- Supporting individuals: The council will provide a variety of workspaces for staff – space to work alongside their team, space to focus, space to work locally, space to meet and connect with others.
- Connecting staff to neighbourhoods: The council will provide accessible workspace across the estate so staff can work in a place convenient to them and aligned to the needs of their service, regardless of their main office base. This could be in our offices or other neighbourhood buildings such as libraries.

6.8   Across the estate, the council are testing different office layouts that underpin more agile and flexible working styles. Features include different furniture solutions, such as:

- Workbenches, that provide flexible space to work or meet. By removing partitions they provide a more flexible area where occupation can scale up and down to the needs of the team, and are more spatially efficient.
- 'Hexpods', that are screened to provide quieter space to focus, or to participate in online meetings without disturbing others.
- Acoustically screened sofas, that provide more informal meeting spaces for small groups, with screening for privacy.

6.9   These furniture solutions complement the new ICT equipment described above, and are supported by the improved ICT infrastructure, such as Wi-Fi and network upgrades. Examples of areas where new office layouts are being tested include the Town Hall Extension, Longsight District Office and Etrop Court in Wythenshawe. Early feedback from staff is that the new furniture and ICT improvements are very popular.

6.10 In the Town Hall Extension, a flexible 'business lounge' area has been created, available to all building users, to provide extra meeting, working and collaboration space. As these new office layouts are more efficient, this work has created space that will allow teams to move out of rented accommodation at Bridgewater House and into the Town Hall Extension. These moves will take place in February.

6.11 Feedback from teams using the new office layouts is being collected, and as the restrictions of Covid are relaxed there will be further opportunities for learning and to adapt the approach.

6.12 Working alongside the Directorates, officers are updating the estates strategy, which sets out the current and future requirements for our operational estate, taking into account reopening of the Town Hall in 2024.

7.0   Recommendations

7.1   That Scrutiny note the contents of this report and the changes that will be required over the next few years to deliver this important agenda.