

## WRITTEN EVIDENCE PAPER TO THE ECONOMY, INFRASTRUCTURE & SKILLS COMMITTEE – DIGITAL ACTION PLAN 2017-2020

Leader of the House and Chief Whip: January 2018

---

### Introduction

The Permanent Secretary appeared before the Public Accounts Committee on 2 October 2017 for a session on the challenges of digitisation. During the session there was discussion of the Welsh Government's Digital Action Plan 2017-2020, a document aimed at an internal Welsh Government audience. However, some of the questioning focussed on matters of Welsh Government digital policy and I would like to follow up on these areas.

My portfolio covers digital infrastructure, digital inclusion and digital service transformation for the Welsh public sector and I am interested in the views of the Committee on the challenges and priorities for the portfolio.

### Digital Citizens

Welsh citizens increasingly use technology in their day to day lives. Last year Ofcom reported that in Wales 74% of adults use a smart phone and 61% of households own a tablet. It is unsurprising that citizens expect to use this technology and consume digital services as part of modern public service alongside other commercial services.

The most recent National Survey results show increasing take up in all age bands of the digital services made available by Welsh public service organisations, and good levels of satisfaction with those services. However, we must remember that digital services are not accessible to all citizens. We expect service providers to develop and deliver digital services based on user needs and incorporating the provision of assisted digital support arrangements to help users to interact even if they don't have the skills or access to do so on their own.

### Government Digital Services

The Welsh Government currently provides around 24 digital services direct to the Welsh public, the largest of which is Rural Payments Wales (RPW) Online with 18,000 users. This digital service enables Welsh farmers to apply for direct agricultural payments and manage their payments online. By 2016, 100% of farm businesses were completing their forms online - the first UK Paying Agency to achieve this.

We will continue to make enhancements and add new features to existing online services. For example, the new online registration service from Care Inspectorate Wales (CIW) which includes an online application form designed around the user, and displays only information relevant to the application, with built in help functions and links to useful material.

We also have a number of new large scale digital services being developed at the moment including:

- **Welsh Tax Collection** - The Welsh Revenue Authority (WRA) will make the most of digital to develop an efficient and effective tax collection and management service for Wales. WRA customers will register from early 2018 to enable a smooth transition to the new Welsh taxes from April 2018
- **Childcare Offer for Wales** - Welsh Government has committed to offering working parents of 3 and 4 year olds free childcare on top of the Early Years Foundation Phase. As this is a targeted offer aimed at working parents an online system will be put in place to accept applications and assess them against the eligibility criteria.
- **Online personalised assessments** - These assessments designed for learners in schools across Wales, will adapt to a learner's abilities and provide automatic marking - reducing

administration for practitioners. They will be phased in over three years, starting from the 2018/19 academic year and over time will replace the current paper based national reading and numeracy tests taken by learners in years 2 to 9.

- **Electoral register** - In order to maximise voter registration, the Welsh Government is exploring how digital technology can be used to enhance voter participation. A consultation was undertaken in October 2017 seeking views on a range of electoral reforms including ways in which people register and cast their vote, which will help shape the new digital service.

The UK Government also provides a broad range of services for the people of Wales, many of which are large volume. For example applying for a passport, completing a tax return, and taxing a car, are all UK Government services provided online with very high take-up.

### **Welsh Government Delivered Infrastructure for all public services**

In addition to its own direct services to the public, the Welsh Government also supports infrastructure and platforms for the public, for public service providers and specifically for schools.

The Superfast Cymru project facilitates access to high speed broadband to homes and businesses in Wales that could not otherwise have got it through private sector commercial programmes. To the end of September 2017 the total number of premises in Wales given access to superfast broadband under the Superfast Cymru project is over 665,400. We have recently undertaken an open market review to allow us to identify premises currently unable to secure a superfast broadband connection or that will not receive a connection in the next three years.. Officials intend to carry out a procurement exercise shortly with a view to a successor project to Superfast Cymru starting in the spring

In terms of our investment in broadband for schools, our Learning in Digital Wales - Investment in Broadband (LiDW – liB) programme is currently underway to provide superfast broadband to school premises across Wales. Part of this programme is the Hwb digital learning platform which provides education stakeholders across Wales with consistent access to a wide range of centrally-funded digital tools and resources, which can support the transformation of classroom activities.

The Hwb platform continues to be developed in line with stakeholder requirements. In 2018 tools such as Google for Education will be embedded, which will further broaden the range of digital opportunities available to all schools in Wales. Also, whilst Hwb was originally aimed at providing digital tools and resources to all maintained schools in Wales, huge demand from the wider education sector has allowed us to start exploring its broader use.

We also have a common shared infrastructure in Wales through the Public Sector Broadband Aggregation (PSBA) network. PSBA enables public service organisations across Wales to achieve better value for money in their use of broadband communications, by providing a mechanism to aggregate demand for, and collaborative purchasing of, wide area networking services. The service deliver high availability and best-value network connectivity for over 4,000 public sector sites across Wales.

Earlier this year Welsh Government and BT conducted an in-depth strategic review of the PSBA architecture to ensure that the network is capable of meeting current and future demands for bandwidth, resilience and scalability and supporting the shared objectives of the Welsh public sector. This far-reaching review yielded an improved design for the network which will deliver the most significant upgrade of the network since the PSBA programme began. By March 2020 we will have rationalised the PSBA footprint and future proofed the core network. This investment will increase the available bandwidth in the shared network by

at least 65%, maintain the use of Ofcom-regulated telecoms services to ensure best value-for-money and deploy a flexible, scalable and resilient platform.

Welsh Government and BT will also be introducing an Opt-in centralised PSBA Web-Filtering Service in April 2018 which will allow Unitary Authorities to reduce costs of the service, maximising the Department for Education and Skills (DfES) investment in schools connectivity over PSBA, as well as maintaining individual control of filtering policies.

To deliver a secure roaming solution for public sector workers in PSBA organisations, the PSBA will also be joining the UK-wide govroam federation in 2018. This service will permit mobile workers to authenticate seamlessly and securely to a WiFi network at enabled sites wherever they see govroam advertised. The service will enable a roaming user to gain direct, secure access over the PSBA to ICT resources in their home organisation. By incorporating the PSBA solution into the UK-wide govroam federation, it will also be possible to seamlessly authenticate mobile devices at over 2000 govroam-enabled sites in other parts of the UK. Layering the govroam secure roaming service over PSBA will improve the potential for flexible working, and will boost productivity through anytime anyplace connectivity for mobile workers. The partnership lays the foundations for much closer public service integration and achieves scale benefits which each partner could not achieve alone.

## **Data**

In this digital age we're creating more data than ever before. However, whilst digital and technological developments provide more opportunities for effective data use, new sources of data are bringing new challenges. Therefore, it is more important than ever before that we ensure data is dealt with appropriately and ethically. Fortunately with the Office for National Statistics (ONS), Swansea University's Secure Anonymised Information Linkage work and the Administrative Data Research Centre-Wales all based locally, along with a wide variety of other data-driven organisations such as the DVLA and Companies House, Wales has long been a hub of data expertise and this is set to continue with the establishment of the Data Science Campus in Newport. We need to ensure that we are making best use of the array of data now at our disposal, and the skills and capability of the region, in driving the use of data to inform decision making and outcomes for people.

In terms of data, over the last year Welsh Government has taken forward the commitments outlined in our Open Data Plan, published March 2016. We have continued to develop our statistical and geospatial open data platforms, StatsWales and Lle, and have also been encouraging others elsewhere in the public sector to be more open. To support this we will be making our open data platforms available to others to use to publish their own data. Increasing the openness of our data has also enabled us to use our data more effectively and to more easily convey key messages through better data visualisation. This was evident in the interactive publication of the Well-being of Wales report in September last year.

Whilst we have made good progress with our open data agenda there is still more for us to do, particularly in terms of our management data. We have, however, already made a start in this area by publishing open data on procurement card spend and expenditure over £25k, and are working with public sector colleagues to make data about our and their workforce more openly available. I want to continue to build on this progress and the support received at the Plenary Debate on 'Data: Increasing Openness and Availability', by working collaboratively with the public sector bodies to develop a Code of Transparency and to adapt our procurement processes in order to promote openness and transparency in procurement.

The data landscape continues to change, with the Digital Economy Act 2017 receiving Royal Assent in April 2017 and the imminent introduction of the new General Data Protection Regulations (GDPR) in May this year. The Digital Economy Act offers up numerous opportunities with the introduction of new data sharing powers. It also provides some much

needed clarity, with data sharing commonly cited by public sector practitioners as one of the main barriers to effective public sector transformation. In order to make full use of these data sharing powers we are currently consulting on a proposed list of public bodies in Wales that we wish to name in the legislation, enabling them to share data under the Act. We're also seeking views on objectives for data sharing that the Welsh Government could set for Wales in the future. We are investing in pilot work to use new technology to allow local authorities to link their own datasets together, or to share data with each other, in a secure and ethical way.

Understandably, at a time when we're encouraging openness and increased data sharing, people may be concerned about the security of their data. There may also be some concern that the new data protection regulations will restrict plans for greater data sharing. However, GDPR provides an opportunity for us to future proof our data practices in this digital age. In doing so this will provide people with greater clarity and assurance on how their data will be used. That being said, if we are to encourage greater data sharing there is a need for us to better understand and convey the impact of GDPR.

### **Public Service Transformation**

I have just taken on this responsibility and want to develop this element of my portfolio to ensure that the aspirations in Prosperity for All can be delivered, supported by digitally enabled transformation. The 'United and Connected' theme discusses how 'we are building the vital links that make it easier for people to come together.' That digital inclusion as well as a citizen centred design approach will be instrumental to achieving this is in no doubt. Therefore, 'delivering modern and connected infrastructure' must be a priority for the public sector here in Wales and we as Welsh Government cannot do this in isolation.

In terms of Local Government, the SOCITM Advisory Ltd report exploring the 'Digital Baseline of local authorities in Wales 2017' provides an overview of the capacity and capabilities in areas such as digital, data and technology. The report provides a view of four key areas; the maturity of digital in local authorities, plans for ICT services to deliver a digital agenda, the use of data to deliver digital services, and the sharing of best practice and collaboration. The report will be the basis for taking forward discussions with local authorities on what we need to do. All 22 local authorities participated and contributed to the evidence base in the report and it therefore provides a firm foundation for considering next steps. In early spring 2018, the Welsh Government will be initiating further dialogue with all local authorities about how we take this work forward including what needs to happen and when.

Local authorities already have various and extensive powers available to implement shared services. The broad nature of the powers available means that there is an array of possible structures for the sharing of services by local authorities. During discussions with local authorities, there has been some agreement that shared services is an area where progress has been inconsistent, and there is potential for improvements to efficiency, resilience and quality of some services. However, as evidenced by the most recent White Paper consultation, agreement on how that may be achieved is divided. The White Paper 'Reforming Local Government: Resilient and Renewed' consulted on sharing services of a transactional or back office nature. Consultation responses highlighted little support from local authorities for these proposals. However, the Welsh Government believes there are efficiencies to be gained from collaboration in back office, digital and ICT services – we need to explore these opportunities even further and extend the current debate.

The Welsh Government has recently consulted on a range of reforms to the local government electoral system (e.g. electronic voting and counting). It is our intention to make legislation to enable these practices to be piloted in the forthcoming Local Government (Wales) Bill. This Bill will also provide a legislative platform to require local authorities to broadcast many of their meetings over the internet, and to simplify existing legislation which enables councillors to

attend meetings remotely. These reforms use digital technology to open up democracy to as many people as possible.

On Health, 'Informed Health and Care: The Digital Health and Social Care Strategy for Wales', published in December 2015, set the direction for the following five years in terms of ambitions and expectations to deliver real benefits and improved outcomes. Effective use of digital technologies supports wider service transformation, enables more effective use of resources across the service, and empowers both patients and professionals through the provision of information anywhere at anytime.

Key digital achievements to date include: the establishment of a national architecture with health boards using common clinical systems such as the Welsh Patient Administration System, the Welsh Clinical Portal and the Welsh Imaging Archive Service; the Welsh GP record is available to GPs in out-of-hours settings as well as clinicians and pharmacists in secondary care; and, through My Health Online (MHoL) GPs are able to offer online appointment booking and repeat prescription requests to their patients - patient access to their summary GP record is also being rolled out through this system.

This is a cross cutting agenda, and I am working very closely with Cabinet colleagues to ensure that my work can support their policy delivery.

### **Future proofing businesses**

As our recent Economic Action Plan highlights, we are also committed as a Government to delivering wider impacts from our financial interventions and which ensures businesses are optimising the potential of new and emerging technologies.

Forces such as automation, artificial intelligence and other forms of digitalisation are already transforming industries and individual firms, breaking down the traditional boundaries between different sectors of the economy. The opportunities of the data revolution are also increasingly driving new collaborations across sectors.

The Economic Action Plan sets out to re-cast our support in a way that can help build the industries of the future and position Wales as a leader in digital transformation.

### **Welsh Government Capability**

The PAC showed a keen interest in Welsh Government's digital capability and I would like to emphasise how I see this as a vital area going forward. While direct responsibility for the improvement of digital skills and capability sits with the Permanent Secretary, Ministers have a strong interest in seeing this agenda flourish as it will help drive transformation of services for citizens.

When I first began working on this agenda, levels of digital awareness amongst policy and other officials were low and the agenda was not joined up. New Welsh Government services were being commissioned across the organisation and delivered quite independently from one another.

My interest over the last 2 years has been in driving a more joined up approach across Welsh Government amongst the officials who support digital projects across all Ministerial portfolios. This has been achieved by working with the Chief Digital Officer who has built up a community of digital and data leaders across Welsh Government. These leaders are responsible for providing leadership in their areas of policy responsibility. Through my chairing of the Ministerial Digital and Data Officials Group, I regularly meet with these officials, holding them to account for the delivery of improved digital services, more joined up working, effective technology choices and good use of data.

To support this developing agenda the Welsh Government will need more internal skills. Work is underway to bring outsourced ICT services in house, to deliver a digital training programme for staff and to grow the Digital, Data and Technology (DDaT) profession within Welsh Government. This is being supported by some external recruitment for those with technical skills, but also through a digital apprenticeship programme, with the first 9 apprentices recruited last Autumn.

## **Challenges**

We face significant challenges in providing public services. Continuing austerity has put additional demands on departments, and the coming decades will be extremely challenging as all are tasked with delivering better value for money, while facing the challenge of shrinking budgets and fewer staff. In addition, public service bodies in Wales are complex in terms of their governance, their culture and their legacy systems.

I was very impressed with the initial high impact of the Government Digital Service (GDS) on the way the UK Government developed their digital agenda. Last year's NAO report on Digital transformation in Government highlighted their success in reshaping Government's approach, but challenged the sustainability of the model. In particular the report highlighted a risk of trying to cover too broad a remit with unclear accountabilities. I think we need to be mindful of these findings in taking forward our own digital agenda.

In my view there is too much focus on the promise of technology alone to deliver transformation. We have all seen many technology led programmes within public services from across the world result in failure. I believe the challenge is in changing the emphasis so that the first step in digital transformation is to understand customer needs. There must be a focus on improving the way a service is designed before opening the lid on the technology. I have seen great examples of this from elsewhere; for example, I was really impressed with the work carried out in DVLA to transform some of their very high volume services for customers.

Leadership is also a challenge. In a few years time I think the notion of a digital leader will have disappeared – frankly every leader of any public service organisation should understand what digital means for their service users, their organisation and their staff. In the meantime there is a need to ensure that all our leaders across the public sector in Wales are equipped to take on this challenge.

One challenge for government is knowing where to prioritise its investments. Transaction numbers for local authorities are relatively low and, therefore, it can be difficult for an individual authority to make a compelling financially led business case for investment. It clearly makes sense for us to look for common solutions and services irrespective of location.

I hear from innovators that it is difficult to innovate within the public sector. Procurement, access to data, and general aversion to risk seem to prevent them being able to give of their best. According to NESTA's report on Innovation in the Public Sector (2014), there are few comparable models for innovation within the public sector and it is rare for an organization to be able to give a clear account of how they innovate. Whilst I feel that there is no shortage of good ideas and innovation in Wales there does seem to be a challenge in scaling up good ideas. I am excited by the opportunities offered by Innovate to Save - supporting organisations to prototype, test and develop complex and innovative changes to the way in which services are delivered, and the Life Sciences Hub, set up to help accelerate business growth.

Finally there is a huge challenge for us to join up much more across public services, and I will be looking to achieve this from the start of my involvement in the transformation agenda. A good place to start is with the Welsh citizen: consumers of services from the NHS, from Local Government but also from the UK Government. I want to discover how they view today's

services and what we need to do to improve and meet the needs of all, irrespective of their ability to access and use services that are delivered digitally.

**Julie James AM**  
**Leader of the House and Chief Whip**  
**January 2018**