

Unlocking local government



Support digital transformation for everyone with BT

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Partnering with the County Councils Network (CCN) offers private, public, community and third sector stakeholders' unique networking opportunities to work with council leaders and chief executives from county councils and unitary authorities in England.

It also gives those interested the opportunity to promote your organisations objectives, a brand or service, to deliver better community outcomes, drive industry practice forward and get your voice heard among decision makers.

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Introduction and overview

We are living through remarkable times. It is likely that future generations will look back on our present era as the early decades of the 'digital revolution' in much the same way we now look back at the industrial revolution of the 18th and 19th centuries. Exciting as this is, with technology having transformed our lives already and frequent reports of even greater advances only just around the corner, the pace this revolution is moving at can feel dizzying and disorienting – especially for leaders of large organisations such as county authorities.

As the technology rolls out ever quicker, public services must keep pace with public expectations – expectations that have only served to grow even faster during the pandemic which accelerated the pace at which people now live and work online. Leaders of local authorities are feeling the pressure to adapt their organisations to this new digital landscape as soon as possible, all the while ensuring that they continue to serve the more vulnerable parts of their population who are less able to use technology as fluently.

Luckily, there are a wide variety of options for support with digital transformation out there. The County Councils Network (CCN) has partnered with BT for a number of years for just this reason – helping the leadership of county authorities to keep abreast of changes in technology and how it can make a difference to their services.

This report arose from a session at CCN's Annual Conference which looked at some of the societal shifts post-pandemic and how digital technology is being rolled out to support various issues facing local authorities like providing effective hybrid working; managing the increasing demand for social care; or improving access to library services. If local government invests wisely the promise of both improved services and efficiency savings is possible, as this report outlines.

On behalf of CCN, I'd like to thank BT for producing this report and hope that colleagues across the county family find it helpful as they progress their digital transformation strategies following the pandemic.



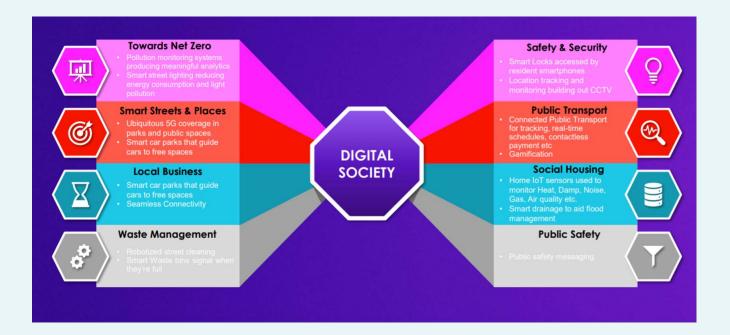
Cllr Barry Lewis, Leader of Derbyshire County Council and Vice Chair of the County Councils Network



1 The challenge facing local authorities

Across the UK, local authorities are facing many challenges. The last few years have not only seen the pandemic increase demand for services and create a shift in working patterns and practices, but there is also a cost-of-living crisis and associated inflation – placing further pressure on the most vulnerable citizens whilst reducing the resources councils have to mitigate this pressure. In order to respond to some of these challenges, digital innovation has already surfaced within local authorities, signalling a wider shift in the delivery of public services. Throughout the pandemic, the ability to access and support local government services digitally, securely, and remotely from anywhere was critical. Without digital access, the services available to citizens would have been reduced significantly.

Now is the moment to accelerate the progress that's already been made. It's time for local authorities to reimagine new ways of operating, embrace innovation and oversee a digital transformation across communities in the UK that enables organisations, people, and places to thrive in new digital societies.



While some essential services are controlled firmly by central government, such as housing benefits, leaders in local government set the daily agenda; they are the true 'change makers', providing services and crafting policies that make a tangible difference to citizens. Indeed, county and unitary authorities are helping to build digital societies by connecting local communities with global ambitions, such as tackling climate change. They can act as a catalyst for significant improvements in people's lives and ensure that no one is left behind.

Such innovations include things like library services with super-fast Wi-Fi; smart parking sensors; Internet of Things (IoT)-enabled air quality monitoring; or telecare systems used to support those receiving social care. Differences between councils are inevitable but, as CCN's *Five Point Plan* shows, county authorities can work with governments to support families and reform public services, boosting local growth and productivity in the process. This is because, despite their differences, all local authorities share three main goals.

Firstly, create the best place to live and work, with safer, more sustainable, and digitally-included communities. These should enhance the lives of everyone through collaboration, innovation, and improved public services. By reimagining new ways of operating, local authorities will be able to empower citizens, organisations, and their employees to look to the future with confidence.

Secondly, improving efficiency whilst generating savings and cost avoidance where possible. Council services have been severely impacted following over a decade of austerity-driven budget cuts from central government, yet the need – particularly among vulnerable and digitally excluded groups, such as the elderly and those from lower socio-economic backgrounds – has gone up. The pandemic magnified the underlining societal issues affecting local communities, as the decline in central government funding was met with an increased demand for support and services. This has since been exacerbated by the cost-of-living crisis impacting residents, resulting in soaring social care demands and expenditure. Councils in England are now spending nearly two-thirds of their budgets on social care – and an even higher proportion in county councils – costing almost £4bn more than a decade ago. These complex challenges have forced local authorities to respond in new ways.

And thirdly, manage increasing demand for services driven by population growth and an ageing population. The 2021 census revealed that, in England and Wales alone, the population grew by more than 3.5 million (6.3%) since the last census in 2011. Meanwhile, the median age across England and Wales was 40 years (42 years in Wales) – higher than the median age of 39 years in 2011. With an ageing population comes the very real prospect of increased pressures on a social care system already struggling to keep pace with current levels of demand, let alone further increases.

Hybrid and flexible working

One important way local government is starting to achieve these goals is through a people-powered approach. Creating a culture that embraces innovation is crucial. Part of this is thinking about how this can be generated whilst adapting to post-pandemic employment trends.

The enforced shift to online working for large swathes of the population has proved more effective than many felt it would be prior to 2020. Employees have found that working in a hybrid way has enabled greater life satisfaction – whether it be because of the ability to juggle caring responsibilities for children or elder parents; the flexibility to live in alternative locations around the country or even abroad; or simply the absence of the grind of the daily commute costing them precious hours from their day.

Employers, meanwhile, have seen the opportunity to reduce unnecessary office space contributing to their overheads. Additionally, many are also benefitting from the ability to fish for staff in a wider pool than before now that geography no longer represents a barrier to recruitment.

However, there is no doubt that working patterns are presently in a state of flux post-pandemic as a 'new normal' is being shaped over the coming years. It seems likely that over time some form of hybrid working model – such as three days a week in the office and two at home or other locations, for example, like the approach adopted at BT – is what will emerge as the accepted norm in the years to come for many roles.

Local authorities are as acutely affected by these trends as any other large employer. That is why at CCN's Annual Conference in November 2022, BT was invited to provide an overview of the trends that the team has been noticing since the pandemic began. Also, to take this a step further, discussion focused on helping local authorities to consider the technology that must go hand-in-hand with councils' ability to provide hybrid working effectively. There are three things councils should be considering around this:

a) Recruitment and retention

The pandemic triggered a dramatic rise in people leaving the jobs market in rural areas. Hybrid working arrangements are critical to ensuring those staff shortages are filled and brought in from elsewhere if necessary. It's been shown that employment levels increase with more flexibility offered by organisations, enriching previously under-resourced areas with extra talent. Digital skills act as a lifeline to vulnerable groups. Having the digital skills to move forward with confidence is of paramount importance to public sector organisations looking to recruit new staff, and to individuals looking to adapt to the future of work.

b) Digital inclusion

Creating social value and providing a digitally inclusive environment should be at the forefront of any new or existing local council developments that impact communities. A function of local government is to make sure that all citizens are treated fairly, with dignity, and have equal access to resources and opportunities. As such, digital inclusion is becoming an increasingly important part of this discussion. This was reflected in BT and CCN's 'Closing the Digital Divide' report last year, which examined how councils can better support their communities to reduce digital inequality with policy recommendations for addressing the digital divide at local and national level.

The growth in hybrid and flexible working has been much needed for disenfranchised groups. For example, single parents and workers over the age of 50 find it easier to fit flexible work around their varying schedules and demands, such as caring duties – expanding the future workforce and increasing prospects.

c) Reducing organisations and citizens' carbon footprint

Hybrid working can also help reduce the carbon footprints of countless local authorities. Over 300 have declared a climate emergency, with nearly two-thirds of councils aiming to achieve net zero by 2030 – just seven years away. Those with no emergency declaration typically adopt similar set targets. The flexibility of hybrid arrangements is often associated with working from home – but there's further potential to untap, which could help local authorities transition businesses and communities to net zero.

For those sharing homes with multiple flatmates, children, or those who simply want a change of scene without a multi-hour commute to an office every day, a local 'third space' – such as a coffee shop, co-working space, or even a pub that's quiet in the daytime – can really help. Accessed mostly via walking or cycling, these local hubs offer greener commutes, cutting carbon emissions. All of this creates more prosperous communities and local economies through increased footfall, resulting in more people shopping locally for essentials like groceries. In turn, this advances the shared mission to make communities better places to work and live.

It is, however, important not to forget that flexible working doesn't just mean hybrid. Hybrid working is more of a corporate strategy, encompassing variation in both time (like a four-day working week) and space (working from home or a third space), but typically within fixed limits. In contrast, flexible working is an individual right that rests on an amended working pattern, such as part-time or shift-based work. It's far more mature in its adoption and legal frameworks than hybrid. In social care, for example, pay remains a big problem – but job flexibility, such as shift bartering, is also valued.

Truly flexible working can help council leaders solve their multi-faceted problems and achieve their strategic goals – but only with the right digital infrastructure. This takes different forms within different functions of local government, depending on existing capabilities and desired opportunities. However, at its core, the approach to digital transformation should remain largely the same: the combination of cloud, collaboration, and connectivity. Technology must underpin the challenges, priorities, and requirements of leaders in local government.



2 How technology can help

In order to achieve these three goals, specific technologies are needed to handle the demands of communities across different local government functions and produce better outcomes – saving time and money. That way, they can deliver more for less, manage increasing demand, and create exciting environments for both work and play – levelling up all their citizens, everywhere. Examples include (but are not limited to):

Future wireless:

Futureproofing wireless infrastructure enables council leaders to reduce costs and increase efficiencies – vital for any digital society. Nearly every local authority area needs to manage large estates of devices and sensors. This operational technology must be underpinned by connectivity that delivers the required performance and security at the right cost. Otherwise, libraries and other local third spaces won't be able to meet increasing demand for hybrid working and lose out on opportunities as a result.

In schools, a strong, reliable wireless connection allows teachers to contact parents swiftly when needed and speeds up the learning process. Teachers don't have to depend on one device to review pupils' work and can optimise their lesson preparation, reducing the time spent on admin tasks like passing around paper worksheets at the beginning of a class. This also helps to circumvent digital inclusion issues in rural areas where mobile coverage may not be consistent, as students and teachers can access and update important notes and records at any time. By removing connectivity barriers from inside and out, the daily frustration of educators is reduced and councils can ensure no child gets left behind.

Smart messaging:

Significant cost savings can be made here compared to traditional mail and telephone calls, helping local government to achieve greater efficiencies. For example, with traffic and parking fines, councils can send reminders and links to pay via SMS, which helps reduce the need for costly follow-up telephone calls.

The scale of BT's platform means that service providers can reach millions of people with just one click on the channel that best suits them: email, telephone, interactive voice response (IVR), rich communication services (RCS), and more. In turn, citizens receive quicker and more informative communications, with real-time updates.

As well as saving money, this swift access to information helps make flexible and hybrid working a success. Beyond urgent alerts, for example, SMS can be used for everyday informational campaigns, such as informing students and parents of upcoming school closures, which allows parents to adjust working hours as needed. Also, libraries can let citizens know that a requested book is now available, helping them manage demand for their services.

Digital workplaces:

If you subscribe to the latest thoughts coming out of Silicon Valley, the future of flexible work might be found in the metaverse, a sort of virtual reality office with staff immersed in hologram-infused mixed reality (MR). However, given that it seems likely to be some time before local government gets there, making hybrid working experiences a success means getting the basics right. Digital workplaces must have inclusion at their core.

In hybrid meetings, this means making sure that those working remotely can see and hear everyone at that meeting in the office. In turn, people in a physical room must be able to converse with people joining remotely seamlessly. Chat functions, high-quality cameras and microphones all weave a rich technical tapestry to keep everyone connected.

Of course, to create a future-facing workforce, it's vital to start at the source – which means going back to school. 5G can power immersive classrooms, in which learners can not only observe, but see and feel what it's like to be there. Working with *North Lanarkshire Council*, we installed the UK's very first 5G-enabled immersive classroom. The 360-degree room created a digital projection which used all four classroom walls and the ceiling to bring the physical world into an immersive experience for students. This meant students could still enjoy a rich learning experience and not be held back by their location or illness for example. England's local authorities could and should build on this success, as the learning possibilities are endless while also increasing social inclusion.

Undoubtedly, action must be taken to future-proof local government services and their respective communities. As we've seen, technology has a big role to play. BT is the perfect partner here, bringing unparalleled scale and depth of portfolio to deliver cost-effective solutions for telecoms and IT infrastructure services across local government departments. Our societal impact is already substantial, having invested £662m in British innovation and created over 300,000 jobs in our communities – but there's more work to be done.



Nicola Millard, BT's Principal Innovation Partner, at the CCN conference



BT's Future of Work Workshop

3 Action plan

Crucially, individual technologies on their own won't solve anything. Instead, it's about how they're all woven together for maximum value. Whether it's 5G or the Internet of Things, a collaborative and innovative partner is needed to unlock maximum value. This takes us back to the aforementioned holy trinity: cloud; collaboration; connectivity. With a helping hand, these are the fundamentals local authorities need to master. Here's how to do it:

1) Identify specific local government benefits and potential pitfalls

First, it's imperative for council leaders to recognise their own strengths and weaknesses, then tailor subsequent initiatives to their specific needs. While notable barriers to many different areas of digital transformation remain, one of the most common is a lack of digital skills. A priority must be ensuring that everyone in society has the right digital skills in the first place.

BT takes its role in this very seriously. Around 2.6 million people in the UK remain almost completely offline and nearly 11 million lack basic digital skills. To unlock the transformative power of technology, it must be available and accessible to everyone – which means investing in skills and training.

BT Group's Digital Skills programme is free and designed to help people across the UK – from older and vulnerable citizens to jobseekers to help boost their confidence and understanding of digital tools. Equipping them with this knowledge makes their daily lives better, helping them to achieve long-term ambitions while fostering a wider digital society. Building on our resources and partnerships, we've reached a total of 14.7 million people with digital skills support since 2014 – with a mission to help 25 million by 2026.

2) Assign clear leadership

Next, designate leadership that can incorporate business and technology perspectives, which means pairing digitally-minded council leaders with trusted external partners. After all, skills aren't the whole story.

As touched on previously, other barriers to local government implementing digital transformation include costs and budgeting, emerging technologies competing for investment, complexity in legacy technologies, and the wider economic climate. Nonetheless, with the right approach, these obstacles can be overcome. There's no one-size-fits-all solution, as everyone will have different needs, so every solution will need to be tailored. Thankfully, BT's technology can bridge any gap; deployable in myriad ways, it's accessible to everyone.

3) Talk to suppliers and partners from the beginning

Engage with potential suppliers and partners in a project as soon as conversations begin. As we know, digital transformation of service delivery is essential, but some local authorities can lack in-house digital skills, meaning more vulnerable citizens can be digitally excluded. Drawing on the expertise of trusted partners early on is the optimal preparation.

For example, they can advise on why and how data security must be prioritised, ensuring it's only shared with the right people and anonymised where needed. Don't wait to get them on board later, as their experience can help answer questions along the way.

BT's work with Merton Council is a prime example of success here. The key to Merton Council's digital transformation was not one technology or partner; it was about bringing everyone together to meet the local authority's needs at every point. This meant having the right team in place from the get-go. Now, Merton Council has a cloud solution it can count on, with web services that work. Many council staff work remotely, connecting to files and collaborating with Microsoft Azure. Moreover, the online portal enables the entire community to engage with local services reliably and securely.

4) Develop a plan for delivery and communicate regularly

Develop a roadmap that leaves no one in the dark. At BT, we are investing £22m in the Plymouth and South West Devon regions with gigabit capability and developing 5G connectivity, enabling hospitals, surgeries, schools, libraries and council buildings across the area to be better connected to the local community. To make this a success, transparent timelines and communications are non-negotiable.

We are constantly listening to our customers, conducting research, engaging with partners to collect information, and turning that into intelligent actionable insights. Then we follow up with a plan and deliver the required improvements against it. We even offer sentiment analysis to local authorities, where we aggregate social media data and let people know what citizens think about their services or presence locally. It's all about great actionable insight while being prepared for further action and improvement.

5) Start now

Undoubtedly, the right technology can be deployed to innovate services and improve care for those who need it. Digitally-enabled close collaboration and co-creation with social care providers and local health partners can help improve services for citizens. At the same time, technological advances present both opportunities for digital transformation and a shift in citizen expectations about service quality.

Digital and communications technologies are powerful tools for positive change, benefitting everyone. By solving problems before they happen and reacting more quickly and efficiently to issues when they arise, we can connect the dots between communities as diverse as the lifeblood of data that flows through them. There's no more time to waste; action is needed now.

Health and Social Care

Improving the use of digital services is going to be vital for both local authorities and the NHS to meet the rising demand created by an ageing society. BT's approach to health and social care is to foster working relationships based on collaboration and co-creation, both at individual authority level as well as increasingly with Integrated Care Systems (ICS). By pairing expert consultancy with dedicated delivery, local government champions can equip themselves with fresh tools to achieve their goals. And, as the innovative partner of choice, we aim to help reduce organisational pressures in three key ways:

- Investment We've invested in a NHS Vanguard Innovation Programme, which provides a collaborative space, allowing health and social care organisations to monitor, evaluate and embed technology safely. Combined with the investment in a Clinical Advisory Board, they help bring together a team of specialist clinicians with decades of experience in frontline healthcare. They're able to help us make sure that our new health and social care digital solutions meet sector needs, improve system outcomes, engage clinicians, and work for patients.
- Co-creation For this to work efficiently and effectively we must keep things simple, so no two Vanguards will work on the same issue. The idea is to share learning and adopt principles and foundations where they will fit. This way we share and grow together, building a new community of practice. We will make sure that the solutions they develop are applicable to the challenges being faced by other organisations and that they will be able to scale to address them.
- Knowledge transfer The depth of knowledge that we have in BT, and what we will develop through
 the Vanguard Innovation Programme, can be transferred to the wider health and care system, for the
 benefit of all. This isn't about one organisation becoming the outstanding provider, but one where we
 offer the local community outstanding delivery of care services.

A recent report from CCN explored how councils can embed technology into adult social care services, suggesting that greater use of digital technology is a crucial step in reforming the system. Providing the best care to those in need with appropriate technology is critical for improving care in a home setting.

For example, if someone has a fall at home, a 5G-enabled headset could broadcast a scene with a care worker and paramedic back to the hospital. Through augmented reality (AR), a doctor could look through a paramedic's eyes and make a judgement or even carry out a procedure they couldn't do otherwise. This means vulnerable and elderly citizens can remain in their homes while still receiving the care they need – not just from the NHS but also their existing social care provider (whether residential or domiciliary) that they already know and trust. This also contributes to the pressing need to ensure the safety of local authorities' staff – particularly the workforce on the ground – by equipping them with the tools and flexibility they need to do their jobs safely and efficiently.

Neighbourhood Services

Critical to residents and businesses alike, neighbourhood services include libraries, parks, waste, and recycling collections – frontline work that's crucial to the wellbeing of local communities. BT has helped Birmingham and Bradford councils tackle air pollution and improve air quality, capturing real-time data using IoT sensors on high-tech digital BT Street Hubs.

There's much more to be done for leaders bold enough to take the plunge. Collaboration and co-creation between local authorities and digital transformation partners can accelerate reforms and improve society for the better, creating more sustainable models for the future.

Local Economies

Across the retail sector, meaningful customer-facing interactions are where small businesses excel, creating customer loyalty and a sense of community – a stark contrast to the anonymity of online corporations. However, in our digital age, local economies experiencing severe economic pressures won't survive without the right digital infrastructure – something local authorities are well placed to encourage and in some places lead.

This is where cost-effective digital technologies such as voice-over-internet-protocol (VoIP) phone systems can really help. VoIP does everything that a traditional phone system does, except it's hosted in the cloud. This means councils or local businesses can make calls over the internet, spending less on hardware and maintenance. And it's flexible, too: calls can be made from a desk phone, computer, or mobile – a full office phone system that works, no matter where someone is. It's ideal for employers that are frequently on the move, such as florists or bakeries, serving not just customers in their brick-and-mortar shops but also local businesses like restaurants and gyms, or residents who are less mobile.



About BT Group

BT Group is the UK's leading provider of fixed and mobile telecommunications and related secure digital products, solutions and services. We also provide managed telecommunications, security and network and IT infrastructure services to customers across 180 countries.

BT Group consists of three customer-facing units: Consumer serves individuals and families in the UK; Business* covers companies and public services in the UK and internationally; Openreach is an independently governed, wholly owned subsidiary wholesaling fixed access infrastructure services to its customers - over 650 communication providers across the UK.

British Telecommunications plc is a wholly owned subsidiary of BT Group plc and encompasses virtually all businesses and assets of the BT Group. BT Group plc is listed on the London Stock Exchange.

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*Business was formed on 1 January 2023 from the combination of the former Enterprise and Global units. It commenced reporting as a single unit from 1 April 2023, with pro forma reporting information to be produced ahead of BT Group's Q1 FY24 results.

