

Digital Transformation and Cyber Security for Welsh Local Government

PURPOSE

1. To provide an overview of the ongoing work and discussions between Welsh Government, Welsh Local Government Association (WLGA), and local authorities to establish a Chief Digital Officer function for local government in Wales.
2. To update you on the Concordat on Cyber Resilience and Security between Welsh Ministers and the WLGA.

Chief Digital Officer for local authorities in Wales

3. Local authorities in Wales have already done much to improve their digital maturity. Most now have a wide number of online transactional services for residents and many are making considerable progress with introducing digital tools for staff and creating an environment that supports and encourages digital working.
4. Take up of digital technologies by local authorities in Wales has historically focussed on channel shift – digitising the transactional services used by residents, such as paying for council tax. For example, Neath Port Talbot operate a 'Digital by choice' approach which targets areas of service delivery where savings can be achieved through extending existing online services for residents.
5. Other developments include transforming services for staff, such as introducing remote working and bring-your-own-device options, digitising certain HR functions and by implementing paperless office policies. Many councils are also developing Digital strategies and looking for new approaches to the ways they work. Notable examples are:
 - Cardiff City Council, which has recently appointed a Chief Digital Officer with responsibility for the development of a digital transformation programme which makes the best use of digital technology, supporting the Council to respond positively to leadership and organisational challenges;
 - Flintshire, where the Council has used technology to deliver multifaceted changes across a number of functions including procurement, human resources, housing maintenance, school admissions and customer contact.
 - The 'iCounty and Digital Roadmap' developed by Monthmouthshire, which has made considerable progress with Agile working practices, and focuses on improving public engagement and digital inclusion.

6. The priority given to digitalisation is important but there is greater scope for more joined up and shared solutions and opportunities for collaboration and partnership. Local government has been clear there is an appetite to pursue this. It was reflected in responses to the most recent Green Paper and in early discussion in the local government Working Group chaired by Derek Vaughan.
7. Research conducted by SOCITM Consulting¹ indicates that significant progress has been made in recent years across six key digital dimensions – transactions, leadership, smart use of data, citizen oriented design, inclusion and staff. However, that progress is not universal across the 22 local authorities in Wales nor across the six dimensions.
8. This research highlights the progress that Welsh local authorities have made, but recommends greater collaborative working, shared systems, joined up procurement activities and strategic leadership to ensure that local authorities make the best use of the resources available to deliver effective, robust digital services for taxpayers and staff.
9. The increasing demand on public services and the rapid pace of technological change, coupled with increased demand for digitalised public services and an overall reduction in public sector budgets means that public sector bodies will need to work together more closely than ever before to deliver high quality services that the public expects. Collaboration will help fill any gaps in resource and expertise and help maximise investment of limited funds by encouraging joint procurement of similar solutions where needs overlap.
10. Reflecting the ambition for further progress, Local government has proposed establishing a Chief Digital Officer function for local government in Wales. This proposal has been integrated with a similar proposal for shared digital capacity developed by local authorities in partnership. This was initially discussed at the WLGA Executive Board meeting in May 2018². This function will provide strategic leadership for further digital transformation across all local authorities in Wales.
11. In Scotland, a Digital Office for Scottish Local Government is demonstrating how collaboration between local authorities can deliver significant progress. It was established in 2016 and charged with delivering innovative digital solutions that supported councils to balance their budgets whilst still delivering essential frontline services. The small team works with elected members to highlight the benefits of digital frontline services for their constituents and how it could deliver in a more cost-efficient manner. The Scottish team works with councils to identify how they could work together to deliver strong platforms for future growth,

¹ [Digital Baseline of Local Authorities \(Welsh: Gwaelodlin digidol awdurdodau lleol\)](#)

² <https://www.wlga.wales/SharedFiles/Download.aspx?pageid=62&mid=665&fileid=1584>

including the development of cloud services, cyber security, network review, improved use of data and GDPR readiness.

12. The WLGA and local authorities in Wales are currently working on a detailed business case to establish a new Chief Digital Officer (CDO) function for local government in Wales.
13. The strategic role of the new CDO function would encompass:
 - Leadership of the digitalisation agenda across local government in Wales;
 - Facilitated collaboration;
 - Advising, supporting and enabling local authorities to collaborate;
 - Design, delivery and management of a cloud based collaboration platform;
 - Establishment of priority projects;
 - Facilitating the sharing of skills and development opportunities;
 - Promoting and encouraging standards and solutions; and
 - Advising and assisting on the cyber security agenda and protection of systems.
14. It is anticipated that the CDO will be supported operationally by a small group who would design and administer services to local authorities. Local authorities would manage their own projects and systems supported by this central team.
15. The function and team would work to leverage the strong skill sets and share capacity we currently have in Wales, but which is currently not always in the right place or in the quantity that is needed. The new Chief Digital Officer for local government will help support a much greater pace of digital transformation across Welsh local authorities by working across operational and organisational boundaries and sharing best practice and resource.
16. The proposal being developed will set out a joint funding model which will be subject to further WLGA member and Ministerial consideration in due course.

Cyber Resilience and Security

17. Cyber attacks and large scale cybercrime are a UK Tier One risk³. Cyber attacks can have far-reaching consequences and cause real harm to victims. Organisations compromised by a cyber attack may face significant costs to deal with the attack and its consequences as well as dealing with any reputational damage, compensation for any harm caused to individuals or other organisations, and potentially significant fines for breaches of the Data Protection Act 2018.
18. Cyber resilience and security within local authorities are essential to keep services running smoothly and to ensure that the public has confidence that their

³ [Fact Sheet 2: National Security Risk Assessment](#)

information is safe and that they will be able to access council services without interruption. The National Cyber Security Centre (NCSC) states that many cyber attacks can be prevented, or the impact minimised, by adopting basic cyber security measures. The SOCITM Consulting research also considered how councils dealt with cyber security. Similarly to digital transformation, the approach in local government to cyber security varies from council to council.

19. Over the last six months, the Welsh Government has held a number of workshops and discussions with external partners across the wider public sector, private sector and academia to consider cyber resilience and security. A key recommendation from those sessions was that organisations across the sectors could pledge to meet the minimum standards of cyber security recommended by the NCSC. This would ensure that all public sector organisations shared a common awareness of cyber resilience and security issues and achieve a common standard of security.
20. Following on from these discussions, the Welsh Government has worked to progress this with local government in Wales. The result of this work is a proposed Concordat between Welsh Ministers and the WLGA on behalf of local government in Wales. This will demonstrate local authorities' commitment to cyber resilience and security and establish a recognisable and common base level of cyber security measures across Wales, with grant funding support from the Welsh Government. The Concordat includes the commitment that all 22 local authorities in Wales will achieve Cyber Essentials Plus certification, a government-backed and industry-supported scheme to assist organisations in protecting themselves against cyber threats, as a minimum standard. The NCSC encourages all organisations to adopt these requirements and this is supported by the Welsh Ministers and the WLGA. In the longer term, the Welsh Government is working to extend this approach to other sectors.
21. The proposed Concordat sets out the shared aspirations of Welsh Ministers and the WLGA, and includes commitments for each local authority in Wales to:
 - a. Achieve Cyber Essentials Plus certification as a minimum standard by March 2019;
 - b. Ensure that the cyber threat is recognised as a corporate business risk and regularly consider at senior management level;
 - c. Identify an executive member and senior management member are named as responsible for managing the organisation cyber threat;
 - d. Register with the NCSC's Cyber Security Information Sharing Partnership (CiSP) to share cyber threat intelligence;
 - e. Consider and implement the NCSC's free *Active Cyber Defence* tools as appropriate;
 - f. Ensure that appropriate staff members have the correct level of security clearance in order to be able to respond effectively to a cyber incident; and
 - g. Report any significant cyber incident to the NCSC.

22. In order to support the Concordat, Welsh Government is making funding available for all 22 local authorities in Wales to achieve Cyber Essentials Plus certification by March 2019. Cyber Essentials Plus is an NCSC accredited certification to aid organisations in protecting themselves against cyber threats. It includes verification by independent experts, including an on-site visit.

TIMESCALES

23. Local authorities and the WLGA are working on the proposal for the CDO function and its funding model, with a developed business case to be considered in late 2018.

24. The Cyber Concordat is scheduled to be signed on the day and we recommend that we review progress against the commitments on an annual basis.

ACTION

25. To note the business case for the CDO function in development and that a proposal will be submitted to Welsh Government in September.

26. To note the agreement of the Cyber Concordat between Ministers and the WLGA.