

ITEM 5. DRAFT DIGITAL STRATEGY

FILE NO: S118878

SUMMARY

In response to Council's resolution to develop a digital strategy, this report seeks Council endorsement for the public exhibition of the City's draft Digital Strategy.

The draft Digital Strategy is essentially a road-map of the City's approach to digital transformation – both within the organisation and for the city in general.

The application of the principles of the draft Digital Strategy to all work delivered as part Sustainable Sydney 2030 renders Sustainable Sydney 2030 as the City's "smart city" plan in a technological age.

The draft Digital Strategy is a principles-led framework that outlines key priorities and areas for action. It is important to note it is not an action plan in the usual sense. It is not possible to "do digital" independently of the other business processes of the City. It is a cross-cutting strategy that outlines how a digital approach can be incorporated into much of the work the City is already doing, piloting or planning in the future.

Neither is the strategy intended to be a list of possible technology projects. To do so would render the strategy out of date very quickly and so called "smart city" projects often fail to meet expectations because they are driven by the availability of new technology, not the harnessing of technology to meet clear and prioritised benefits for the community.

Therefore, at the core of the draft Strategy is the premise that the City's digital future must be people-led, not technology-led. The focus is on delivering outcomes for the community in a time of technological change.

It is important to note that we are not starting from scratch. The City already has a well established portfolio of digital and technology projects. However, by applying the principles of this draft Digital Strategy consistently to all of our current and future work in this space, we will set a standard of digital excellence befitting a major global city.

There are three key ideas that guide the approach:

1. **Inclusion** - a clear acknowledgement that we need to bring all of our communities along with us and consider their needs first.
2. **Service delivery** – understanding which services should be delivered digitally (and which should not) and ensuring we offer the best possible services and experience for everyone.
3. **Partnerships** – to be successful on a metropolitan scale, we rely on our communities, industry and other government agencies.

The Digital Strategy has a clear vision that identifies six strategic priorities:

1. Champion digital **inclusion and lifelong learning**.
2. Create **people-centred** digital programs and services.

3. **Transform how we engage** with all our communities.
4. **Support businesses** that promote digital skills, knowledge and infrastructure required for the digital future of Sydney.
5. **Actively participate in urban renewal** of Sydney, advocating for, and where possible providing, infrastructure needed to ensure Sydney's global competitiveness.
6. **Innovate ethically** in the information marketplace.

RECOMMENDATION

It is resolved that:

- (A) Council approve the draft Digital Strategy, as shown at Attachment A to the subject report, to go on public exhibition; and
- (B) the Chief Executive Officer report back to Council after the work outlined in Clause (A) above is complete.

ATTACHMENTS

Attachment A: City of Sydney Draft Digital Strategy

BACKGROUND

1. The City sees digital technology as an enabler, rather than driving how we do things. Sydney is a city with people at its heart. This strategy sets out how the City will keep our focus on our people and the outcomes we need to achieve for our communities in a time of continued technological change.
2. The draft Digital Strategy articulates key outcomes for the communities the City of Sydney serves and with whom the City works by focusing on six priority areas:
 - (a) **Champion digital inclusion and lifelong learning** – programs that encourage skilled, digitally-literate, resilient communities capable of accessing and enjoying the benefits of the digital economy.

Examples of current projects:

- (i) Essential computer literacy courses;
- (ii) Digital Citizenship program: coding, robotics classes, digital media skills, and app development;
- (iii) Public access IT upgrades in libraries and community centres; and
- (iv) Green Square and Darling Xchange state of the art technology spaces in libraries.

- (b) **Create people-centred digital programs and services** – improve the design, efficiency, effectiveness and responsiveness of our program and services, not just to manage costs, but to meet the changing needs of our communities and deliver a better experience.

Examples of current projects:

- (i) “Customer” journey maps of online interactions with the City;
- (ii) Analytics to better understand and improve the customer experience;
- (iii) Online transactional services, including ePlanning which is underway;
- (iv) Customer service management systems;
- (v) Data feeds (APIs);
- (vi) Ticketless parking;
- (vii) Full suite of digital communications; and
- (viii) Coherent content strategy.

- (c) **Transform how we engage with all our communities** – use existing and new platforms to engage with residents and businesses to support the functioning of our democratic process.

Examples of current projects:

- (i) Online consultation forum – Sydney Your Say;
 - (ii) Twitter; and
 - (iii) Live polling at consultation events to capture feedback in real time.
- (d) **Support businesses that promote digital skills, knowledge and infrastructure** required for the digital future of Sydney – supporting a diversified local economy that is more resilient and enhances Sydney’s reputation as a collaborative, connected, dynamic and innovative city that attracts talent.

Examples of current projects:

- (i) Memoranda of Understandings with universities;
 - (ii) Industry partnerships such as Better Buildings Partnership;
 - (iii) Knowledge exchange grants such as Spark Festival and Generation Entrepreneur;
 - (iv) Support co-working spaces;
 - (v) Enabling and facilitation;
 - (vi) Visiting entrepreneur program; and
 - (vii) 101 business workshops, General Assembly business seminars.
- (e) **Actively participate in urban renewal of Sydney**, advocating for, and where appropriate providing, infrastructure needed to ensure Sydney’s global competitiveness – using our influence to get the right infrastructure and networks in place to ensure Sydney is globally competitive.

Examples of current projects:

- (i) Wi-Fi in libraries and scoping for free public Wi-Fi in the public domain;
 - (ii) Parks monitoring and control system;
 - (iii) Street furniture digital upgrades; and
 - (iv) Digital signage.
- (f) **Innovate ethically in the information marketplace** – creatively use data and city analytics to improve the performance and operation of our systems and infrastructure, including open data initiatives to benefit local communities and businesses.

Examples of current projects:

- (i) Data governance framework – including addressing issues of privacy and security;
 - (ii) Data standards;
 - (iii) Live data feeds (APIs);
 - (iv) Open data portal;
 - (v) Asset management systems; and
 - (vi) Participation in data hackathons such as GovHack.
3. There are two key enabling actions that will be critical for the success of the Digital Strategy:
- (a) The City of Sydney must embrace a digital mindset within our own organisation. Cultural change is essential for the development of people-centred digital services, systems and innovative working practices and to attract talent to the organisation. We need to address our skills shortages, manage digital change and achieve greater productivity and improved performance with fewer or similar resources and investigate how we can better involve suppliers in the development of innovation solutions.
 - (b) The City of Sydney is not alone in seeking digital transformation in Sydney, nor can the City achieve digital transformation of Sydney alone. We need to identify the influence we can have in promoting the digital economy and be an essential part of the wider metropolitan goals to retain and attract the talent and investment Sydney will need in future. We must enable effective partnerships with private companies, organisations, academia and other levels of government, which will be critical to the delivery of public benefits associated with a digital approach.
4. This draft Digital Strategy is not a list of “smart city” technology projects. The strategy takes a broader view and instead looks to achieving outcomes for community benefit, outlining an approach and setting standards that can guide future digital and technology projects. The use of new technologies is best assessed and incorporated as part of the City’s overall program of work. This will ensure that technology is an enabler for us to achieve our objectives and that we avoid the risks associated with having a standalone list of tech-driven smart city projects that fail to deliver value for money outcomes for the community. By applying the principles of this strategy to the City’s work in delivering Sustainable Sydney 2030, we will in fact deliver a “smart city”.
5. One of the activities within the strategy is to plan and implement an open and accessible Wi-Fi network in key areas of the public domain. Staff have commenced concept development of possible models for this and have begun discussion with various government agencies, including Properties NSW, Place Management, Department of Finance, Services and Innovation, Department of Premier and Cabinet and Destination NSW. It is important to understand the capabilities, limitations, best practices, governance issues and use cases of this technology to be in an informed position to advance a project.

KEY IMPLICATIONS

Strategic Alignment

6. This draft Digital Strategy aligns specifically with Sustainable Sydney 2030 (City of Sydney Community Strategic Plan 2009); Tech Startups Action Plan (2015), Economic Development Strategy (2013), *A City for All* Social Sustainability Policy, Workforce Strategy, Resourcing Strategy and Information and Technology Strategic Plan (2016).

Organisational Impact

7. It is important to note that we are not starting from scratch – the City has already implemented many digital initiatives. This Strategy provides a context for those initiatives and, in some cases, they may need to be shaped to ensure the outcomes of this strategy are achieved. The Strategy is cross-cutting in nature and will need to be embedded in the work and projects of the City of Sydney. It is not a new strategic pillar, nor an action plan in and of itself. Digital activity arising from this strategy will be incorporated into project plans.
8. Digital leadership within the organisation is key to effecting successful digital change. The commitment to digital changes and the commitment to flexibility in allocation of resources needs to be embedded at an executive and Council level.
9. The Strategy has identified the need for two working groups to assist with the implementation of the Digital Strategy: an internal champions working group to encourage and embed the digital cause and help staff to adapt and innovate; and an external stakeholder relationship working group to focus on promoting the external actions, partnerships and engagement.

Risks

10. Projects involving new technologies or new ways of working using technology can be expensive to implement and not always work as expected. In addition, skill shortages and/or not engaging the right skills in the delivery of projects presents a risk to the successful delivery of the outcomes of this strategy. These risks can be mitigated by adopting a “test, learn, fail fast and iterate” approach to developing new concepts and methods. This allows the City to experiment and innovate with minimal financial and organisational risk.

Social / Cultural / Community

11. This Strategy has a strong theme of inclusion. The future success of the city depends on our residential and business communities being digitally active. We need to develop programs that encourage skilled, digitally literate, resilient communities capable of accessing and enjoying the benefits of digital technology.
12. We need to avoid the digital divide between those who are digitally engaged and those who are not, becoming entrenched. Equitable digital engagement is vital for Sydney to become a more connected and inclusive city and ensuring no one is unavoidably left behind.

13. Community expectations of government have changed with advances in digital technology. They expect high quality online services, delivered anytime, anywhere and to any device. There is also a growing expectation of transparency and accountability from government. The City of Sydney needs to continually reshape our services and how we engage with our communities to ensure we keep pace with these expectations.

Environmental

14. The advent of open data provides opportunity for the City of Sydney to better understand the environmental performance of its assets. Access to environmental information via digital technology also assists communities to build resilience.

Economic

15. Sydney will need to attract and retain the best talent from around the world to be competitive. This includes people who will work in the tech sector, but equally important is supporting small and medium businesses to realise the benefits of fully developing their digital capability for their own future.
16. We want the community, organisations and business in our local area to have the infrastructure and connectivity as well as the information, skills and capability to utilise, engage with and benefit from digital technology.

BUDGET IMPLICATIONS

17. Digital activity arising from the implementation of this strategy will be incorporated into existing and upcoming project plans and budgets.

RELEVANT LEGISLATION

18. The Local Government Act 1993 and Privacy and Personal Information Protection Act 1998 are relevant to the draft Digital Strategy in relation to governance, procurement and data management.

CRITICAL DATES / TIME FRAMES

19. Exhibition period will commence following Council endorsement for publication exhibition of the draft Digital Strategy.

PUBLIC CONSULTATION

20. The Strategy was developed in cooperation with Arup Digital, acknowledged leaders in digital strategy, smart cities and with extensive global experience and access to global expertise.
21. Conversations were facilitated by Arup to examine the experience of other global cities in their transformation journeys and meetings were held with City of Melbourne and City of Parramatta. These conversations were particularly helpful in understanding the approach that other cities have taken to governance in implementing digital change.

22. Consultation was conducted with the community via a survey (online and telephone) which captured the input of 462 City of Sydney residents and/or city workers to ascertain the ways in which the community currently uses digital technology and seek feedback on how the community interacts with the City online and how they envisage a networked digital future for Sydney. The main themes were:
- (a) Confidence and optimism – the community has a generally positive view of digital technology, reporting that they feel happy, excited and curious about it, although the level of confidence within the community in using technology varied depending on age and how complex the online interactions are.
 - (b) Transparency and service – over 90 per cent of respondents stated access to government information is important and 80 per cent want to do business with the City online, with ease of use important.
 - (c) Access – faster internet and Wi-Fi hotspots were nominated as most important for Sydney’s digital future.
23. Further feedback will be sought from the community and stakeholders via public exhibition of the draft Digital Strategy.
24. A report back to Council will be provided once the public exhibition period is complete seeking to adopt the Digital Strategy as final.

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