Havering
LONDON BOROUGH

CABINET
21 SEPTEMBER 2016

Subject Heading:	**Business Intelligence Strategy 2016-2019**
Cabinet Member:	**Councillor Clarence Barrett**
CMT Lead:	**Sarah Homer**, Interim Chief Operating Officer
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Policy context:	The Business Intelligence Strategy will contribute towards delivering the Proud element of the Corporate Plan: Leading by example. More specifically it will 'Focus resources where they deliver best value' and assist the Council to "Continue to provide transparent and accessible information about how we are performing and what we are spending".
Financial summary:	The Business Intelligence Strategy will contribute to the improved use of financial resources to deliver Council Services in the most effective way.
Is this a Key Decision?	**Yes** - Significant effect on two or more Wards
When should this matter be reviewed?	One year after implementation – September 2017
Reviewing OSC:	Overview and Scrutiny Board

The subject matter of this report deals with the following Council Objectives

Havering will be clean and its environment will be cared for   []
People will be safe, in their homes and in the community   []
Residents will be proud to live in Havering   [X]

SUMMARY

With a growing and changing population, including an increasing older population and rising numbers of vulnerable children living in Havering coupled with rising expectations, improving our collation and use of business intelligence is vital to inform future business planning, opportunities for further savings and corporate strategies such as the Customer Access Strategy and Demand Management Strategy. In turn, this will improve customer service across the organisation, making services considerably more targeted and meaningful for those who receive them.

The Business Intelligence Strategy sets out how the Council will improve how it gathers and makes use of business intelligence in the short, medium and long term to get the best outcomes for both customers and the organisation. It highlights how improved business intelligence is crucial to understanding the needs of Havering's communities better, including those who use, or will use, services and the key outcomes that need to be achieved in order to improve the lives and experiences of our residents.

The Strategy outlines areas that are integral to improving business intelligence, including transparency and open data, customer insight, operational intelligence and data quality and how we plan to take these forward within the Council over the next three years.

RECOMMENDATIONS

That Cabinet:

> **Notes** and **approves** the contents of the Business Intelligence Strategy and appendices (which include an Action Plan).

REPORT DETAIL

Background

1.   Business intelligence is used for business analysis and planning and is defined as a set of techniques and tools for transforming data into meaningful and useful information[1]. It helps to identify new opportunities, to

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[1] Vaisman, A. and Zimány, E. (2014) Data Warehouse Systems: Design and Implementation, New York: Springer Heidelberg

design and implement effective strategies and policies and to make evidence based decisions.

2.   By improving the council's approach to the collation and management of data and developing better business intelligence, the Council will be able to better manage demand, identify savings and make more accurate forecasts for the future both in terms of finance and performance. Improving business intelligence will also enable the Council to assess future risk and opportunity more accurately through data modelling and scenario planning, and communicate this to stakeholders including central government. This in itself provides further opportunities, allowing the council to lobby for more resource with a robust evidence base.

Where are we now?

3.   The Council currently makes use of data for a variety of purposes and has a number of systems and processes in place. For example:

-       Various strategic documents (e.g. the Joint Strategic Needs Assessment, *'This is Havering',* corporate and directorate performance reporting, Local Plan)
-       The Mosaic Customer Segmentation Tool
-       The Data Intelligence Hub (soon to be upgraded and made more user friendly)
-       The Data Warehouse

4.   There is scope to build upon these secure foundations and move the council towards making better use of the data and other insight held. The Business Intelligence Strategy sets out how the Council proposes to do this.

The Strategy

5.   This strategy outlines where we are now in terms of business intelligence and provides a vision for where we need to be in order to continue to meet the demands of our residents and provide good quality services.

6.   The strategy looks at how we will achieve the objectives through focusing on systems and processes and people and culture. For example, the development of the Data Warehouse and implementation of a new performance management tool are key, but it is also important to ensure staff have the right skills to analyse and interpret data in order to get the best from the systems and use the information effectively to improve service delivery. Having the right organisational culture is also fundamental to success; staff at all levels of the organisation need to understand the benefits of, and buy in to, improved business intelligence.

7.   The strategy also highlights the importance of data quality for improving business intelligence and addressing the various issues that currently exist. For example:

- Official data sources are out of date and there are often time lags in collecting and distributing data
- The granularity of official data is poor
- Data often relates to usage rather than need, and to outputs rather than outcomes, and
- Proper evaluation of services and decisions is difficult.

8. A Data Quality Policy is included as Annex A and there are also actions within the Action Plan that seek to address these issues.

Timescales

9. Whilst there are some "quick wins" we can achieve in the short term (such as reviewing the Council's suite of corporate performance indicators ready for next year; implementing the new corporate performance management tool, and implementing upgrades to the Data Intelligence Hub to make this more user friendly and intuitive), improving business intelligence is a long term process, which is why the objectives in this strategy are organised into short (12 months), medium (1-2 years) and long term (2-3 years) time spans. The Action Plan focuses on those actions we will achieve in the short term to medium term, the intention being that when the strategy is reviewed in a year's time, it will re-consider progress against the long term objectives in light of the developments to be achieved more quickly (e.g. the implementation of a new corporate performance management tool and continued development of the Data Warehouse). The ultimate goal is to ensure that the effective use of business intelligence is embedded across the organisation as 'business as usual'.

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REASONS AND OPTIONS

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Reasons for the decision:

The implementation of the Business Intelligence Strategy is key to understanding current and future demand, opportunities for savings, how services can be improved and resident/customer outcomes best achieved. This intelligence will inform business planning and strategies.

Other options considered:

The other option considered is to not implement the Business Intelligence Strategy. This will limit the development of skills within the organisation and the required change in culture necessary to make the most of improved intelligence, processes and systems. It will also limit the ability to develop the various systems and tools so that they work together to meet business needs.

The subsequent impact of the above would be limited ability to make accurate projections, scenario planning and data modelling that could otherwise be used to improve services (and therefore outcomes for residents), address increasing demand and realise savings.

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IMPLICATIONS AND RISKS

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Financial implications and risks:

The management of financial resources within the Council is regularly monitored and assumptions challenged to ensure financial resources are used effectively. The Business Intelligence Strategy will aid this process by contributing to the planning, evaluation and effective use of the Council's financial resources. It will also aid decision making in where to target or prioritise financial resources in meeting the demands for Council services.

Legal implications and risks:

There are no apparent legal implications in approving the strategy.

The Data Protection Act governs the processing and secondary use of "personal data", which is defined as "information relating to an identified or identifiable individual" (ICO, 2014). Sensitive personal data is defined as information relating to an individual's ethnic group, political opinions, religious beliefs, trade union membership, physical or mental health, sexual life, commission / alleged commission by any individual of any offence, and proceedings for any offence committed, the disposal of such proceedings or the sentence of any court in such proceedings. Whilst there are significant issues around the handling of personal data the strategy clearly states that information and data will only be shared in the Council, with partners and the public if no legal restrictions prevent this. A "Fair Processing Statement" is in place which sets out the intended use of linked personal data within the corporate Data Warehouse. These linked personal data will only be accessed where the purpose legitimately satisfies Schedule 2 of the Data Protection Act. An explicit consent form is used when collecting sensitive personal data, requiring customers to indicate that they consent for their personal data to be shared internally or with some partner organisations for a range of predetermined reasons.

The Information Governance Group has overarching responsibility for ensuring compliance with the Data Protection Act and legal advice will be provided to that group as and when this is required.

Human Resources implications and risks:

The adoption and implementation of the Business Intelligence Strategy has a number of implications for the Council's workforce generally and on some specialist 'analytical' roles specifically both in terms of skills development and culture change. The identified lead officers will be required to work closely with the oneSource HR&OD Service to ensure that the workforce implications are appropriately managed.

Equalities implications and risks:

The Business Intelligence Strategy will support and help implement our equality duties and objectives. A single view (i.e. pooled data) will help ensure that we are planning services to meet the needs of existing and emerging communities in Havering. Given that the strategy is intended to deliver positive outcomes for all there is no requirement to complete an equality impact assessment.

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BACKGROUND PAPERS

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None