



# DATA

INSIGHTS REPORT



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On 10 November, NLGN corporate partner ENGIE hosted the latest event in our Innovation Exchange programme in Canary Wharf, London. Over 20 participants from local authorities across the country reflected on a wide range of experiences of using data within councils – from data specialists to strategic policy leads. Despite the different backgrounds and experiences of data, all were united in wanting to explore how they can improve the service delivery of their council. The day was designed for everyone to share their experiences in an in-depth peer-to-peer learning session, sharing not just their successes but also things that hadn't worked so well.

This report is based on pre-event phone interviews with participants and the intensive discussions on the day.



## FOREWORD

**ENGIE were delighted to host the latest in the series of NLGN's Innovation Exchanges in our Canary Wharf offices. In an open and well facilitated discussion there was a consensus about the importance of rich data; how some are using the data they hold for progressive agendas; and how all are still learning about the issues surrounding data sensitivity.**

Data is a powerful tool. Technology and digitalisation are playing a growing role in the delivery of improved service efficiency by linking data from a variety of sources. For councils, harnessing meaningful data and turning it into actionable outcomes can help deliver more efficient, vibrant and sustainable communities.

In 2014 Leeds City Council wanted to achieve better value for money in its energy purchasing across its large and diverse estate. It also sought to update its energy procurement methods so that it could benefit from lower prices in the fluctuating wholesale markets. As well as reducing the cost of energy purchased, the council aimed to reduce the volume of electricity consumed across its premises to help achieve its carbon-reduction targets. The council entered into a collaborative partnership with ENGIE which enabled it to save around 10% on its overall gas and electricity costs in the first year and has continued to reap the benefits of meaningful data; reducing cost, carbon and

consumption and creating savings that can be reinvested back into its communities.

Beyond cost efficiency, intelligent energy-management software is helping our council partners and others keep track of usage across their portfolios and to act quickly to tackle energy wastage or inefficiency. ENGIE's C3NTINEL system analyses and compares data across thousands of meter points to alert our monitoring teams about abnormal trends in energy usage, initiating investigation and rectification on the root cause. With hundreds of sites to monitor, these anomalies in energy usage would never previously have been spotted.

ENGIE is pleased to partner with NLGN in this data insights report, as the agenda of how to collate, use and store data becomes ever more important.

### **HAYDN SCARBOROUGH**

Business Development Director, Places & Communities, ENGIE UK



## HOW WELL ARE WE CURRENTLY USING DATA?

Councils are currently facing an unprecedented number of pressures. Coping with higher demand while suffering from significantly reduced funding makes it difficult to prioritise anything beyond the immediate delivery of services. As capacity becomes more stretched, councils need to find ways to be more efficient, more effective at prioritisation, and better at understanding which of their actions have the greatest impact.

As the discussions at our Innovation Exchange explored, one key way to do this is to use data effectively to guide decision making. All councils have access to huge volumes of data, as well as regular interactions with the majority of their residents. These interactions, whether in person or online, are opportunities to selectively acquire more useful information. The key question is how do we use this data most effectively, and what is stopping us from already doing this?

Our discussions uncovered six areas that can help answer this question:

- culture change
- risk aversion
- capacity to explore the possibilities of data
- recruiting the right staff
- the attitude of residents
- enabling data-sharing.

## CULTURE CHANGE

Participants identified the culture of a council and the general attitude towards data analysis amongst colleagues as fundamental to the impactful use of data. At one extreme are councils where data is generally regarded as a marginal concern primarily of use for statutory reporting and context-setting. At the other extreme are councils that have fully embraced data analysis and use it as an indispensable route to improved service outcomes and social impact. It was agreed that the great majority of councils now fall somewhere between these two extremes and that improvement in overall attitudes to data was required.

## HOW DO WE SOLVE THIS?

The discussion indicated that councils have generally taken two distinct approaches to shifting attitudes to data amongst colleagues.

### 1. REACHING OUT FROM A SINGLE DATA TEAM

Some councils have chosen to create a separate team that handles the data requirements for the organisation – including collecting, analysing and sharing. One of the benefits of a single team is that it is clear where other officers from the council can go for answers to questions and for intelligence on their specific policy issues. This can lead to better collaboration across the council, and

the clear expertise helps to build trust that the data is being used in the correct ways. In some cases, the data team can function almost like a consultancy for the rest of the council, helping colleagues find the right data to aid the policy making process.

## 2. EMBEDDING SPECIALISTS

An alternative approach is to embed data specialists within policy and delivery teams. This allows data analysts to get closer to the user experience, and give the rest of the team greater ownership of the data, rather than feeling as if the data was ‘owned’ by the data team. This also allows data specialists to build closer working relationships with team members, understand their day-to-day experience and challenges and so allow them to generate and develop targeted solutions in a way that may be more challenging for a single data team.

However, there is a risk with this approach that data specialists do not achieve the necessary distance from existing practices as well as the benefit of daily engagement with other data specialists required to develop truly creative and challenging solutions.

Other ways of shifting attitudes to data included the following:

- Having strong leadership and the championing of data from the leadership team is very helpful. Some councils have

put in place a rule where business cases will not be considered by directors unless they are supported by the relevant data.

- Addressing elected members’ attitude to data is also vital to shift cultures. Councillors often tend to use data selectively rather than objectively, and officers need to be aware of how data can be very political, particularly in areas where there is a narrow majority. To deal with this, the presentation of data is key – showing clearly why the information is important, and what the proposed action should be.
- Building trust by addressing colleagues’ most immediate problems can be very helpful. One participant explained how their data team worked with others across the organisation specifically to identify the most monotonous and time-consuming tasks that could be speeded up using data-analysis. This then freed up significant amounts of that member of staff’s time to carry out more service-user focused work, as well as removing a dull task from their workload. This built trust between the team and a large number of colleagues. Other councils have put in place ‘nudge-a-thons’, bringing together data specialists with service teams to identify ways data can be used to shift resident behaviour and thus help the service teams achieve their outcomes more easily.

## RISK AVERSION

There is a fine line between being risk aware and risk averse, and during the discussions there was a general consensus that council staff lean towards the latter. Some participants felt that the lack of knowledge and understanding of the complex law surrounding data usage has created a culture of reluctance to engage, with councils struggling to understand the opportunities that the intelligent use of data can afford. However, this does not have to be the inevitable status quo – instead, officers need to be better at managing potential risks, rather than simply avoiding them.

Both officers and councillors need to be better at understanding that there is also risk in not taking action – the risk of not delivering high quality services; of being inefficient; and of missing an opportunity for early intervention. Missing these opportunities has both a detrimental financial impact on the council (showing that investing time and money in understanding data is necessary) but also prevents the council from providing the services that it should to its residents.

### HOW DO WE SOLVE THIS?

- Council leadership needs to do more to encourage and incentivise data sharing within the organisation. This may involve a fundamental culture shift – but also

puts a requirement on chief executives and heads of departments to properly understand the importance of using data.

- There needs to be a proper understanding of what is preventing people from engaging. This could be a lack of communication from the top, but it could also be that the information is not ‘owned’ by those collecting it.

## CAPACITY TO EXPLORE THE POSSIBILITIES OF DATA

Finding the space to think about new ways of using data can be tricky when immediate service delivery is the priority. There are often huge calls on data specialists to provide certain types of information – without thought given to whether this information is as useful as it can be, or whether the time spent gathering it could be better used. One participant described this as ‘feeding the beast’ – the need to respond to statutory requests before turning to more creative ways of working. Part of solving this issue is about training the rest of the organisation to ask the right questions.

### HOW DO WE SOLVE THIS?

- Ruthless prioritisation (using tools like Kanbans) shows which work has been deprioritised when additional work is

generated. Visualising work in this way is useful in a resource-limited environment so all can see the volume and priorities.

- Dissolve the division between frontline staff and data experts. Involve all staff in the conversation of how data can be used and what hypotheses data analysis is attempting to prove.
- See what work can be automated. There is the possibility that technology can automate routine work, and the time that is saved can be re-invested in the capacity of analysts to do much more useful work.
- There is the potential to challenge mandatory reporting requirements from central government. Many departments (such as the Department for Education) place reporting requirements on authorities but don't use this data.

## RECRUITMENT OF STAFF

Data analysts and data scientists have very different skill sets from those traditionally employed by councils, and many with those skills may not have considered working for a local authority. Additionally, local government does not have the reputation of being a glamorous or innovative place to work. Attracting those with the right skills can be challenging, particularly for millennials with a 'start-up' style ethos, when council

HR departments insist on a ten-page competence-based recruitment form. This is a particular issue outside of urban areas which find it harder to attract those with data analytical and wider digital skills.

## HOW DO WE SOLVE THIS?

- Avoid 'unicorn' skillsets (where one person needs to be able to do everything) by considering splitting roles – analysts can't do everything.
- Millennials tend to value social good in their job roles more than other generations. Councils can use the moral dimension to attract recruits. Local government often doesn't make this values-led offer strongly enough.
- Where geography is an issue (for example in a low-skill economy), councils should explore ways of flexible working to allow people to work remotely.
- There may be more unconventional routes to recruit candidates whose skills may not be as easily tested in traditional recruitment exercises. Instead, councils should think in the mindset of the people that have these skills, and how they can best demonstrate them during an application.
- Offer contracts that are relevant to the demographics of people who are likely to have the skill set that is required – several participants found that two-year fixed term positions were particularly popular.

## CONCERNS FROM RESIDENTS

The discussion revealed that there are inconsistencies between the perception by residents of how data is used, and what actually occurs in practice. Many councils have found that their residents do not understand how their data is collected, why it is needed, and how it is employed. There have been a number of perceived failures by the local government sector, which has made it difficult to build the trust with communities necessary to allow collection and use of data.

### HOW DO WE SOLVE THIS?

- Councils should first consider how they already collect data from residents (such as council tax), and capitalise on these methods before creating new interventions.
- Councils should focus more on the outcomes from collecting data, rather than the process. This will enable them to reconsider the scope of what is collected, and only collect data which is most relevant. By being able to clearly show the outcomes that that data achieves, it will be clearer to residents why they need to contribute.
- Communications between councils and residents need to be improved. There was a sense from the discussions that communicating the reasons for sharing

and collecting data could be more effective, including sharing examples of when it has led to better outcomes, and what the future possible benefits could be. Understanding more why residents are reluctant to share their data while being honest about the real purpose and intended outcomes of collecting data can only help with the goal of improving communications.

- Collected data can also be shared with the communities to use in their own way to improve their neighbourhoods, and to understand the decisions that councils are making.
- Councils should carefully consider their existing methods of communicating with residents. There is a strong move towards digitisation – however this may not be the most effective method, particularly given the number of elderly people who are less likely to engage with digital services.
- Publishing the outcomes of data analysis where possible increases transparency about what data is being collected, and what it is used for. Publishing also reduces the chances of the same information being requested repetitively, and thus freeing up the time of council staff.

## DATA-SHARING

There is currently a high level of uncertainty for councils, as they anticipate the

forthcoming launch of the General Data Protection Regulation (GDPR). This framework gives requirements for the sharing of data which can seem intimidating – but these changes also provide an opportunity to explore the scope of what can be done with the information that councils gather.

There are many existing frameworks that allow data sharing – but the key difficulty lies in managing the processes and in building trust between partners.

A specific problem identified by attendees at the Innovation Exchange was that of sharing data across two-tier authorities. While responsible for the delivery of different services, they may coincidentally collect data that would be beneficial for the other tier. Currently, a framework to allow such cross-sharing of data does not exist, and it may be helpful for sub-regional data networks to be set up to provide a solution.

A related issue identified was that of sharing data between public service organisations – mainly between local authorities and the NHS, and police force. Services, in particular social care, could be delivered much more effectively if data could be shared freely across services in a locality.

## HOW DO WE SOLVE THIS?

- Start small. Large organisations often try to address a systemic challenge and link

data-sharing in one go, but starting on small initiatives for sharing and expanding from there, gives the opportunity for people to see the benefits and embrace a more collaborative way of working.

- Explain clearly why investing the time and taking known but limited risks around data-sharing is important for policy making. Providing the necessary training and support will also be crucial to removing the fear of data-sharing.

## CONCLUSION

The overall sense from participants was one of optimism clouded by a sense of frustration. There is a clear recognition from data specialists that data analysis can now be used in many ways to significantly enhance the performance of service delivery and to improve the social impact of councils. This is a major shift from the days when data specialists largely saw themselves as fulfilling a reporting function. This seems to be a view that is spreading more widely across local government and is of increasing importance to leadership teams.

However, frustration remains on a number of fronts. This is particularly the case in relation to lack of regulatory clarity about data-sharing, unwillingness of some public sector partners and even functions within councils themselves to share data, heavy statutory

requirements for reporting, and the fact that the importance of data analysis has yet to be accepted more widely particularly by service heads and their teams.

Nevertheless, there is a strong sense that the recognition of the importance of data analysis will only grow in local government and that it is well within the realms of the sector's capacity to address many of the barriers that exist to more impactful use of data.

