

Committee(s): Digital Services Committee – <i>For Information</i>	Dated: 5 th September 2024
Communications and Corporate Affairs Sub Committee – <i>For Information</i>	TBC
Policy and Resources Committee	26 th September 2024
Subject: Data Lighthouse Project Update	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	Providing Excellent Services
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Chamberlain’s, Caroline Al-Beyerty	For Information
Report author: Sam Collins, Chamberlain’s	

Summary

This paper provides an update on the Data Lighthouse Project and the successful proof of concept exercise which concluded in July 2024. The findings of the proof of concept will be used to inform the business case to secure long-term funding for Microsoft Dynamics 365 Customer Insights, including the introduction of technical and functional roles to support the platform. There is sufficient capacity and funding in place to progress with a limited pilot in the interim.

Recommendation

Members are asked to:

- Note the report.

Main Report

Background

1. In April 2023 the Digital, Information and Technology Service (DITS) initiated a Data Maturity Assessment for the City of London Corporation. The assessment was supported by Hitachi Solutions and consisted of 16 separate workshops covering various data related topics including data governance, data quality, data architecture and data security. There were over 40 participants from across the City of London Corporation.

2. The findings from the Data Maturity Assessment were presented to Digital Services Committee in July 2023 and included immediate, intermediate and strategic recommendations. One of the immediate recommendations was the initiation of a 'Data Lighthouse Project' to demonstrate best practices and the 'art of the possible with data'.
3. The management of customer data and the requirement for a Corporate Customer Relationship Management (CRM) system was identified as a key priority for the organisation and was chosen as the focus for the Data Lighthouse Project.

Current Position

4. A proof-of-concept exercise exploring the use of Microsoft Dynamics 365 Customer Insights has now been completed. During the exercise DITS worked closely with departments to understand the functionality in greater detail and demonstrations were provided on the two elements of Customer Insights; the underlying data integration layer called 'Data', and the marketing layer called 'Journey'.
5. As part of the proof of concept exercise the following outcomes were achieved.
 - **Data integration** – customer data was imported from multiple sources, de-duplicated and merged to create unified 'customer records. The data integration included a live connection with the Strategic Engagement and Events Management (SEEMS) database.
 - **Single view of the customer** – the customer records showed a unified view of customer interactions including communications, activities and events.
 - **Customer segmentation** – customer segments were created based on activities or attributes held within the customer records and used to target digital communications activity.
 - **Communications** – branded communication templates including digital communications and sign-up forms were created and demonstrated.
 - **Journeys** – end to end marketing journeys were created and demonstrated including aspects such as reminders and confirmation e-mails.
 - **Analysis** – insights were provided at the platform, campaign and customer level, providing intelligence on customer interactions and engagement levels.
6. The demonstrations and proof of concept exercise received positive feedback from all stakeholders involved and Customer Insights was evaluated to be able to meet the requirements of the City of London Corporation. As such, the findings of the proof of concept will be used to develop the business case to secure longer term funding covering the product licence and the introduction of technical and functional support roles.

Proposal

7. In the interim, there is sufficient capacity and funding to progress with a pilot exercise which would include the implementation of Customer Insights for a single service area. While the pilot would only allow for one service area to use the platform 'in anger', the intention would be that Customer Insights is configured to meet the requirements of the wider organisation. This would include integration

with key data sets, establishing rules for the merging of customer records, implementation of best practice for legislative requirements such as GDPR and agreement on corporate branding and standards. This would be with a view to making the platform more widely in 2025, subject to funding.

8. Whilst the initial focus of this project will be on the technical configuration of the Customer Insights platform, the success of the platform longer term will be judged on the level of adoption across the organisation and the use of the platform to deliver a more cohesive, standardised and impactful approach to communications and engagement for the City of London Corporation.

Key Data

9. The Data Lighthouse Project commenced in November 2023 and included a sample of 7 different areas of the City of London Corporation.
10. The Project analysed 81,000 customer records and found that 45% of the data was duplicated across two or more of the areas within the project.
11. A Proof of Concept for Microsoft Dynamics 365 Customer Insights was completed in July 2024.
12. The long-term funding required for the use of Customer Insights including the initial licensing of the platform and the addition of functional and technical support roles, is estimated at around £186k per annum.

Corporate & Strategic Implications

Strategic implications – The efficient and effective management of customer data and a better understanding of customer interactions across the City of London Corporation would help to support the successful delivery of the new Corporate Plan 2024-29, supported by the new Digital, Data and Technology Strategy. A well- managed Corporate CRM is a necessity for any large organisation, offering significant opportunities to collaborate more effectively across services, support cross functional working removing any duplication and provide better understanding and insight into the organisation's stakeholders.

Financial implications – There is funding in place for the pilot, however the findings of the proof of concept will support the development of the business case to either repurpose or secure future funding. The ongoing licensing and internal support costs are estimated to start from £250k per annum.

Resource implications – For the Corporate CRM, consideration should be given to the future support model which is likely to require 2-3 additional roles to provide functional and technical support. The proof of concept will determine whether existing resources can be repurposed and presented within the business case.

Legal implications – The proposed Corporate CRM would support compliance with the Data Protection Act 2018 in seeking and recording consent from customers to store their data and ensuring compliant retention periods for customer data.

Risk implications – There is an ongoing risk that customer data is not being managed effectively, or consistently in compliance with the requirements of the Data Protection Act 2018.

Equalities implications – It is not considered that the proposed Corporate CRM would have any equalities implications, however an Equalities Impact Assessment will be conducted to ensure that any impacts are considered.

Climate implications - None

Security implications - None

Conclusion

13. This paper provides a summary of outcomes from the Microsoft Dynamics 365 Customer Insights proof of concept, which will be used to develop the business case for future funding. In the interim, the project will be progressed through a limited pilot, which will utilise existing capacity and funding.

Appendices

- Appendix 1 – Presentation – Data Lighthouse Project Proof of Concept

Background Papers

None

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