



Ministry of Housing,
Communities &
Local Government



Local Digital programme: monitoring and evaluation final report

Public Group International, Society for Innovation Technology and Modernisation
(Socitm) and Daintta





© Crown copyright, 2025

Copyright in the typographical arrangement rests with the Crown.

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/>

This document/publication is also available on our [website](#)

If you have any enquiries regarding this document/publication, complete the form at <http://forms.communities.gov.uk/> or write to us at:

Ministry of Housing, Communities, and Local Government
Fry Building
2 Marsham Street
London
SW1P 4DF

Telephone: 030 3444 0000

June 2026

Contents

Contents	3
Glossary	5
1. Introduction	7
1.1. About the programme	7
1.2. Structure of the report	8
1.3. Evaluation approach	10
1.4. Programme Theory of Change	10
1.5. Process Evaluation	11
1.6. Impact Evaluation	12
1.7. Value for Money Evaluation	15
1.8. Data collection	16
1.9. Limitations	19
1.10. Local Digital Fund	20
1.11. Process Evaluation	21
1.12. Impact Evaluation	29
1.13. Value for Money	40
1.14. Research questions discussion	47
2. Future Councils	51
2.1. Process Evaluation	52
2.2. Impact Evaluation	56
2.3. Value for Money	64
2.4. Research questions discussion	67
3. Cyber Support	69
3.1. Process Evaluation	70
3.2. Impact Evaluation	75
3.3. Value for Money	86
3.4. Research questions discussion	89

4. Cyber Assessment Framework	92
4.1. Process Evaluation	93
4.2. Impact Evaluation	96
4.3. Value for Money	103
4.4. Research questions discussion	105
5. Training.....	107
5.1. Process Evaluation.....	108
5.2. Impact Evaluation	112
5.3. Value for Money	116
5.4. Research questions discussion	118
6. Programme evaluation	120
6.1. Process Evaluation discussion	120
6.2. Impact Evaluation discussion.....	121
6.3. Summary	129
6.4. Value for Money discussion	130
6.5. Conclusion.....	132
7. References	135

Glossary

This glossary defines key terms and acronyms used throughout the report.

ALE (Annualised Loss Expectancy): An estimate of the financial loss from a cyber-attack over a year, calculated by combining likelihood and impact measures.

BCR (Benefit to Costs Ratio): An indicator used to assess value for money, consisting of the total present value of benefits divided by the present value of costs.

CAF (Cyber Assessment Framework): A sector-agnostic framework developed by the National Cyber Security Centre (NCSC) for improving cyber resilience through standardised practices.

CFM (Continuous Funding Model): An approach within the Local Digital Fund allowing previously funded projects to bypass formal reapplication through a direct interview process.

CoCo (Code of Connection): A standard security baseline, often referred to in the Public Services Network (PSN) context, that organisations must comply with.

Core Spending Power: Total revenue funding available to a council, including from council tax and the Local Government Finance Settlement (and other sources).

CTP (Cyber Treatment Plan): Tailored plans developed for Cyber Support councils to mitigate specific cyber vulnerabilities, structured around key remediation categories.

DDaT (Digital, Data, and Technology): A term referring to the combined fields of digital services, data management, and technology.

GDS (Government Digital Service): A UK government organization that leads digital transformation in government.

LACRiM (Local Authority Cyber Risk Model): A model developed as part of the evaluation to estimate the ALE from cyber attacks for local authorities.

LGA (Local Government Association): A national membership body for local authorities in England and Wales.

LOTI (London Office of Technology and Innovation): An organisation that helps London boroughs collaborate on technology and innovation challenges.

MHCLG (Ministry of Housing, Communities and Local Government): The UK government department responsible for housing, communities, and local government. (Previously DLUHC).

MITRE ATT&CK Framework: A globally recognized knowledge base that maps adversarial tactics, techniques, and procedures (TTPs) used in cyber attacks.

MMR (Mitigating Malware and Ransomware) Survey: A survey used to assess councils' risk levels for malware and ransomware attacks, informing the Cyber Support workstream.

NCSC (National Cyber Security Centre): The UK's technical authority for cyber security, providing guidance and support.

PSN (Public Services Network): A high-performance network that helps public sector organisations work together, reduce costs, and deliver better services.

ToC (Theory of Change): A description of how and why an intervention will lead to desired outcomes.

VfM (Value for Money): An assessment of the benefits and costs of an intervention to understand whether it was a good use of resources.

1. Introduction

- 1.0.1. Modern local government public services increasingly rely on digital and cyber capabilities, as residents expect seamless online interactions, and councils face sophisticated cyber threats (GDS, 2025). Since 2018, the Local Digital team within the Ministry of Housing, Communities and Local Government (MHCLG) has supported councils in navigating digital transformation opportunities and challenges. The programme has helped English local authorities adopt collaborative, user-centred digital approaches and strengthen cyber security.
- 1.0.2. To understand this work's impact and build an evidence base, MHCLG commissioned an independent evaluation in April 2023, delivered by a consortium of PUBLIC, Socitm, and Daintta, with support from Perspective Economics. The Scoping Study (DLUHC, 2024) detailed the evaluation design, methodology, and scope. This final report presents the evaluation findings, which included separate Process, Impact, and Value for Money evaluations. These findings are already informing the development of Local Digital's strategy to support the sector more effectively. More broadly, this report contributes evidence relevant to the implementation of recent 2025 cross-government strategies within the digital and cyber space, such as the AI Opportunities Action Plan (DSIT, 2024), A blueprint for modern digital government (GDS, 2025), and the Performance Review of Digital Spend (HM Treasury, 2025b). It provides evidence-based insights into factors facilitating effective digital and cyber transformation in UK local government.

1.1. About the programme

- 1.1.1. Since 2018, MHCLG has delivered the Local Digital programme, drawing on the 2018 Local Digital Declaration (Local Digital, 2018) to drive digital and cyber maturity across local government. Its first intervention, the Local Digital Fund aimed to provide funding and support to councils, helping them meet the Declaration's commitments.
- 1.1.2. Following this, the programme introduced additional interventions, categorising them into two main areas: cyber and digital. This includes the Cyber Assessment Framework (CAF) and Cyber Support on the cyber side, which were each added in 2020, and a formal Training series on the digital side, which was added in 2021. In 2022, the programme sought to combine these paths with the introduction of Future Councils, encompassing both cyber and digital components. Altogether, the programme has supported 268 authorities, based on the April 2023 configuration of English local authorities, which then included 317 councils. Section 5 in the Appendix provides a detailed breakdown of participation and funding distribution by council type, region, population size, and spending power.
- 1.1.3. Table 2.1. outlines the five Local Digital programme workstreams within the scope of this evaluation. The report uses 'workstream' and 'interventions' interchangeably to describe

these five areas of activity within the Local Digital programme, reserving ‘programme’ exclusively for the Local Digital programme. The Local Digital Declaration, which outlines the principles the Local Digital Fund aimed to support, is outside the scope of this evaluation. However, because it is often brought up in interviews, the Declaration may be a confounding factor that is hard to isolate.

1.1.4. Funding for the programme was secured through four separate business cases, aligned with the 2019 Spending Review (SR19) and the Autumn 2021 Spending Review (SR21). From 2018 to 2025, the programme invested a total of £74.6 million across the evaluated workstreams. Section 1 of the Appendix provides a detailed breakdown of programme expenditure, and Table 2.1 presents funding per workstream.

1.2. Structure of the report

1.2.1. The next seven chapters are as follows:

- **Chapter 3. Evaluation approach:** Sets out the Process, Impact, and Value for Money evaluation methodologies. It outlines the evaluation research questions, methodologies used, and the data collection activities across the evaluated workstreams.
- **Chapters 4-8. Workstream evaluation findings:** Provides detailed findings for each workstream across the Process, Impact, and Value for Money evaluations.

1.2.2. **Chapter 9. Programme evaluation:** Summarises findings across the programme. It includes an evaluation of the nine outcome areas identified in the programme’s Theory of Change, and a case study analysis of how different council characteristics have influenced programme outcomes.

Table 2.1. Overview of workstreams within the scope of the evaluation.

Workstream	Aim	Approach	Spend (£m)	Reach (councils)
Local Digital Fund	To improve the quality and efficiency of local government services through collaborative, council-led digital transformation.	Seed funding through 6 rounds and a Continuous Funding Model for joint council projects (min. 3 councils) across Discovery, Alpha, and Beta phases. Support included Local Digital staff and cross-cohort show and tells.	20.7 (16.7 direct grant funding and 3.9 delivery costs)	55 (145 including partner councils)
Future Councils	To identify and address common blockers and enablers to the adoption of modern and resilient systems, processes, and practices in local authorities.	Pilot funding to selected councils to test approaches to digital transformation that can be reproduced across the sector.	8.8 (6.0 direct grant funding and 2.8 delivery costs)	8
Cyber Support	To strengthen council cyber resilience and reduce the impact of malware and ransomware on local service delivery.	Targeted funding based on councils' self-assessed cyber readiness. Included a Cyber Treatment Plan (CTP) and support from external consultants.	25.0 (19.9 direct grant funding and 5.1 delivery costs)	192
CAF	To embed the NCSC's Cyber Assessment Framework (CAF) as a routine part of cyber risk management in local government, aligned with the UK Government Cyber Security Strategy 2022–2030.	Funding and support provided to complete CAF self-assessments in cohorts. CAF 10 and Future Councils cohorts are within the scope of the evaluation. The intervention is ongoing.	14.3 (4.4 direct grant funding and 9.9 delivery costs)	18
Training	To build digital and cyber capability across councils by improving the skills and knowledge of staff and senior leaders.	Includes online Agile training, Executive Education for senior staff, and a Training Library of learning resources for councils.	2.6 (all delivery costs)	145

Explanatory note of Table 2.1. This table presents funding provided by MHCLG directly to councils under Section 31 of the Local Government Act 2003 (direct grant funding), as well as investment in civil service staff and consultants for the delivery of the workstreams (delivery costs). It does not include the additional costs incurred by councils to deliver the workstream outcomes, which are discussed in the relevant workstream chapters. All funding information is in nominal terms. In addition to the workstream funding detailed in the table, the Local Digital programme has incurred £3.1 million in costs, including monitoring and evaluation activities, events, and additional agency staff support. Reach numbers only include councils directly involved in workstream activities, with further details in the relevant workstream chapters. CAF figures cover only the first two pilot rounds included in the evaluation, while the Local Digital Fund totals include some councils that no longer exist due to local government reorganisation.

1.3. Evaluation approach

- 1.3.1. This chapter outlines the evaluation approach taken across the Process, Impact, and Value for Money Evaluations. The evaluation focused on the period between FY18/19, when the Local Digital Fund launched as the first workstream, and FY24/25. Each workstream chapter details its exact delivery period.

1.4. Programme Theory of Change

- 1.4.1. The Local Digital programme was set up to help the local government sector move beyond simply putting services online, towards fully using digital technology to improve service delivery and back-office operations. This shift focuses not just on adopting new tools, but on building the long-term capacity for organisations to continuously adapt in a fast-changing digital environment (Gong and Ribière, 2021; Mergel et al., 2019; Verhoef et al., 2021). Reflecting this, the Scoping Study recommended evaluating the programme based on councils' 'readiness' for digital transformation - their ability to adopt new technologies, improve services, and manage risks like cyber threats. This is measured through the following three principles.
- 1.4.2. **System readiness:** The programme's support for developing robust digital infrastructure, including systems, data practices, and procurement.
- 1.4.3. **Individual readiness:** The programme's contribution to developing the skills, confidence, and adaptability of council staff to navigate a digital landscape.
- 1.4.4. **Organisational readiness:** How councils' internal strategies, leadership structures, and governance have evolved – through the programme - to support digital transformation.
- 1.4.5. This context informed the overarching evaluation framework and the programme-level Theory of Change (ToC). While this report evaluates the programme as a whole, its component workstreams began as discrete interventions, each with its own ToC. The programme-level ToC was developed by identifying overlaps and complementarities across these individual theories. The workstream-level ToCs are in Section 2 of the Appendix. As part of this synthesis, individual workstream outcomes were grouped into nine overarching outcome areas. Chapter 9 presents evaluation findings across these outcome areas, which have been simplified (as shown in brackets) for ease of presentation:
 - Councils invest in the exploration and adoption of innovative digital solutions. (Area 1. Investment in digital innovation).
 - New digital solutions and initiatives lead to improved outcomes for staff and residents. (Area 2. Staff and resident satisfaction).

- New digital solutions and initiatives lead to cost savings. (Area 3. Cost savings associated with digital initiatives).
- Local government software market offers better value-for-money. (Area 4. Software market changes).
- Councils improve digital and cyber skills and ways of working. (Area 5. Digital skills and ways of working).
- Councils collaborate on digital and cyber projects more effectively. (Area 6. Collaboration).
- The local government sector develops a clearer understanding of common digital and cyber challenges. (Area 7. Understanding of digital and cyber challenges).
- Councils develop more effective cyber risk and mitigation approaches. (Area 8. Effective cyber risk and mitigation strategies).
- Councils develop more effective cyber response and recovery strategies. (Area 9. Effective cyber response and recovery strategies).

Each of the programmes workstreams contribute to these nine outcome areas in different ways. The Impact Evaluation for each workstream considers to what extent these outcome areas have been achieved. This assessment can then be used to evaluate the extent to which the programme has supported system, individual and organisational readiness. The specific workstream outcomes therefore flow down into the overall readiness assessment.

1.5. Process Evaluation

1.5.1. The Process Evaluation focused on how the Local Digital programme delivered its objectives. The Process Evaluation research questions included:

1. Were there enough resources to support the delivery of the programme?
2. Were there any unexpected or unintended issues in the delivery of the intervention?
3. To what extent has the intervention reached all the councils that it was intended to reach?
4. To what extent has the project created a collaborative community of councils or other local actors? Is the community active and engaged?
5. To what extent has the process built leadership, partnerships, and/or capability in councils?
6. To what extent have the economic growth challenges in priority places been addressed?
7. What worked well, or less well, for whom, and why?
8. What can be learned from the delivery methods used? Could the intervention have been procured and delivered for less cost than it was?
9. How did external factors influence the delivery and functioning of interventions?
10. How did the delivery partners influence implementing the interventions?

A mixed-methods approach was applied, combining interviews with councils, MHCLG staff, and delivery partners, with secondary data on participation, funding, and council characteristics (see Table 3.3). Grounded theory was used to code interviews and identify common themes, applying tags iteratively for consistency. Delivery data was analysed to assess performance and reach, considering statistical significance where relevant.

1.6. Impact Evaluation

- 1.6.1. The Impact Evaluation of the Local Digital programme focused on understanding the effects of the programme's interventions. The Impact Evaluation research questions included:
1. Did the intervention achieve the expected outcomes, and to what extent?
 2. To what extent can the outcomes be attributed to the intervention?
 3. To what extent did the intervention cause the observed changes?
 4. What causal factors resulted in the observed impacts?
 5. What would have happened without the programme?
 6. Did the intervention cause a difference?
 7. Have the outcomes been influenced by any other external factors?
 8. Has the project resulted in any unintended outcomes (not related to the delivery)?
 9. How much can be attributed to external factors?
 10. To what extent have different groups been impacted in different ways, how, and why?
- 1.6.2. This evaluation followed HM Treasury's Magenta Book (2020) guidance, primarily using contribution analysis. Since the evaluation was conducted retrospectively, with a lack of baseline or routine monitoring data (with the exception of Cyber Support), experimental or quasi-experimental methods were not feasible (this is further discussed in Section 3.6. of this chapter). The process involved three steps: (1) using data to measure how much outcomes were achieved and assigning an achievement score; (2) assessing whether these outcomes would have happened without the programme, considering council maturity and intervention complexity; and (3) assigning a confidence score to indicate the strength of evidence. The achievement score does not include additionality, which is analysed separately. Analysis drew mainly on qualitative interviews, supported by self-reported quantitative data. For the Cyber Support workstream, this was supported by the Local Authority Cyber Risk Model (LACRiM) to estimate the reduced cost of cyber-attack losses.
- 1.6.3. **Evaluation of workstream outcomes:** Data was collected for each workstream based on its specific Theory of Change outcomes, which were then grouped into broader overarching outcome areas (OA). Table 3.1 provides an overview of these areas along with the data gathered for each workstream. This grouping was done both at the workstream level - combining short-, intermediate-, and long-term outcomes into

workstream outcome areas - and at the programme level, where workstream outcomes were further grouped into overarching outcome areas, as detailed in Section 3.1.

Table 3.1. Overview of workstream outcome areas and data collection.

Workstream	Outcome areas	Data
Local Digital Fund	<p>OA1. Implementation and scaling of project outputs.</p> <p>OA2. Impact of project outputs.</p> <p>OA3. Adoption of Agile ways of working.</p> <p>OA4. Adoption of collaborative ways of working.</p> <p>OA5. Increase in digital transformation investment.</p>	<ul style="list-style-type: none"> - Semi-structured interviews with participating councils, delivery partners, MHCLG staff, and experts. - Self-reported data on funded project impact. - Project documentation (e.g. business cases, project reports). - Software market contract data.
Future Councils	<p>OA1. Implementation and impact of recommendations to address digital and cyber challenges across pilot councils.</p> <p>OA2. Adoption of replicable pathways to tackle systemic digital and cyber challenges.</p> <p>OA3. Development and implementation of policies to tackle systemic digital and cyber challenges.</p> <p>OA4. Improvement in overall digital and cyber maturity across the sector.</p>	<ul style="list-style-type: none"> - Semi-structured interviews with participating councils, delivery partners, MHCLG staff, and experts. - Self-reported data on spend and impact across funded activities. - Digital and Cyber Maturity survey.
Cyber Support	<p>OA1. Implementation of Cyber Treatment Plans.</p> <p>OA2. Response and recovery processes.</p> <p>OA3. Cyber resilience and risk reduction.</p>	<ul style="list-style-type: none"> - Semi-structured interviews with participating councils, delivery partners, MHCLG staff, and experts. - Progress reports on Cyber Treatment Plans. - Publicly available data on cyber attacks' impact. - Information Commissioner's Office (ICO) estimated cyber attacks distribution. - Mitigating Malware and Ransomware (MMR) survey results. - Review of MITRE ATT&CK framework (attack path analysis).
CAF	<p>OA1. Understanding council risk posture and developing targeted improvement plans.</p> <p>OA2. Identifying and understanding council cyber needs and priorities.</p> <p>OA3. Integration, adoption, and implementation of CAF across local government.</p>	<ul style="list-style-type: none"> - Semi-structured interviews with participating councils, delivery partners, MHCLG staff, and experts. - Reported progress against CAF implementation.
Training	<p>OA1. Senior leaders prioritise digital transformation programmes and play a key role in their implementation.</p> <p>OA2. Council staff increase knowledge about digital transformation and put that knowledge into practice.</p>	<ul style="list-style-type: none"> - Semi-structured interviews with participating councils, delivery partners, MHCLG staff, and experts. - Pre- and post-surveys on confidence in Agile training skills.

- 1.6.4. The extent of each outcome area’s achievement was assessed, reporting it as High, Medium, or Low, along with the confidence score for each finding. Achievement levels were defined as follows.
- 1.6.5. **High:** The evidence indicates that most or all sub-outcomes associated with an outcome area have been achieved in the way described in the workstream ToC.
- 1.6.6. **Medium:** The evidence indicates that some sub-outcomes have been achieved, and/or that most have been achieved only to a moderate extent. Overall, the outcome area has been partially realised, but progress might be incomplete, or uneven compared to what was envisaged in the ToC.
- 1.6.7. **Low:** The evidence indicates that few or none of the sub-outcomes have been achieved, or that those which have been achieved show limited progress. As a result, the outcome area is largely unrealised compared to what was envisaged in the ToC.
 The achievement rating describes what the evidence suggests about the extent to which an outcome area has been achieved, regardless of how robust or complete the evidence is. Each outcome area was also assigned a confidence level, which assessed the quality and availability of relevant evidence. This considered a number of factors, outlined in the following rubric in Table 3.2. In general, due to the inability to establish clear statistical standards for confidence levels, the evaluation considered multiple factors, and validated outcome area assessments with external subject-matter experts.

Table 3.2. Impact Evaluation confidence level rubric.

Confidence level	Sample size	Theoretical certainty	Availability of supportive evidence
High	Representative sample of councils interviewed as part of evaluation activities	Interview coding and analysis results strongly support achievement score provided with no ambiguity in sentiment expressed	Supportive evidence from document review and / or quantitative evidence available
Medium	Sample of councils with varied responses or incomplete participation	Interview coding and analysis results mostly support achievement score provided but there is some ambiguity in sentiment expressed	Limited supportive evidence from document review or quantitative evidence available
Low	Low-or non-representative sample of councils or responses	Interview coding and analysis results showed great variation in sentiment expressed by interviewees	Minimal to no supportive evidence from document review or quantitative evidence available

- 1.6.8. **Case study analysis:** In addition to the workstream analysis, a multi-case study approach was used to understand how the programme’s impact varied across different types of councils. Progress was assessed against the nine outcomes in the programme’s ToC by drawing on evidence from across all workstreams. The case studies helped to

explore how local factors - especially digital and cyber capability and levels of buy-in - influenced councils' ability to achieve outcomes. Councils were categorised into four types (A–D), based on whether they had high or low digital and cyber capability (see Section 5.2). Case study councils were selected using theoretical sampling, starting with those at the extremes of capability, then adding more mixed cases to reflect the wider sector. Data sources included interviews, council strategies, survey responses, and project documents. Each case was analysed individually to understand local context, and then compared cases to identify common patterns in how different types of councils engaged with the programme and achieved outcomes.

- 1.6.9. **The Local Authority Cyber Risk Model (LACRiM):** To support the Impact Evaluation of the Cyber Support workstream, MHCLG developed the Local Authority Cyber Risk Model (LACRiM) in collaboration with evaluation partner Daintta. The model estimates the annualised loss expectancy (ALE) from cyber attacks by combining likelihood and impact measures, which provides a monetised view of the potential harm. By reflecting changes in councils' cyber resilience, the model allows us to assess how Cyber Support activities may reduce the expected costs of malware and ransomware incidents. The LACRiM therefore underpins the analysis of the potential cost savings and benefits generated by the Cyber Support workstream. Chapter 6 presents findings from the model. Given that the LACRiM is primarily a financial analysis tool, it is also used to inform the Value for Money assessment.

1.7. Value for Money Evaluation

- 1.7.1. The Economic Evaluation aimed to determine if the programme's resources achieved Value for Money (VfM) The research questions included:
1. What was the value-for-money of the intervention?
 2. What are the benefits?
 3. What are the costs?
 4. Do the benefits outweigh the costs?
 5. What is the ratio of costs to benefits?
 6. How do these compare to alternatives?
- 1.7.2. The VfM assessment follows HM Treasury's Magenta Book and Green Book guidance; it uses the 3Es framework as set out by the National Audit Office (NAO) (HM Treasury, 2022). This framework assesses value for money based on three key principles: economy, efficiency, and effectiveness. Given the lack of quantitative data from the Impact Evaluation, the VfM analysis drew primarily on qualitative and modelled data from the workstreams. The approach is outlined below.
- 1.7.3. **Economy and Efficiency:** a qualitative assessment of whether programme activities delivered at appropriate cost and in a way that met local strategic objectives was conducted.

1.7.4. **Effectiveness:** scenario-based and break-even analyses were conducted to assess whether benefits of programme activities were likely to exceed their associated costs over time. Specifically for the Local Digital Fund and Cyber Support, indicative cost-benefit analyses were carried out. These analyses drew on council reported data from funded projects and the LACRiM, respectively. Both monetised and non-monetised benefits were identified and assessed in line with MHCLG's Appraisal Guide (MHCLG, 2025). This analysis informed indicative benefit-cost ratios (BCRs) for these workstreams and the overall programme.

1.8. Data collection

1.8.1. A mixed-methods approach was adopted to deliver the evaluation. Key data collection methods are as follows.

1.8.2. **Semi-structured interviews:** in-depth interviews were conducted with participants from local authorities, delivery partners, MHCLG, suppliers, and experts. The breakdown of these interviews can be found in Table 3.3 below, totally 135 interview and focus group participants across these different groups.

1.8.3. **Surveys:** two surveys were used to gather data. This includes the Digital and Cyber Maturity survey. This survey was used to capture changes in digital and cyber maturity among councils participating in the Local Digital Fund and Future Councils workstreams, benchmarked against other councils in the sector. This was taken 79 councils, with the aim to capture multiple waves of responses. Due to inconsistency of rates over time, but the relatively large sample of councils providing some information, the survey findings have been used descriptively to provide contextual insight. Further details are available in Section 4 in the Appendix. A training survey was also developed. This was administered before and after the Agile training course to assess the impact of the training on participants' confidence in their Agile delivery skills. 91/397 participants took the Agile Training survey.

1.8.4. **Council data returns and desk review:** Self-reported data was gathered from councils through targeted requests aligned with workstreams:

- **Local Digital Fund:** Reported project impact and progress data, supplemented by desk-based review of business cases, blogs, reports, and project presentations.
- **Cyber Support:** Reported progress against Cyber Treatment Plans (CTPs) at three points: March 2021 (baseline), December 2023, and January 2025.
- **CAF and Future Councils:** Reported grant funding usage: investments following CAF pilots (CAF), and use of grant funding and impact data on funded activities (Future Councils).

- 1.8.5. **Programme management data:** Routine monitoring data from MHCLG was used to track council participation, funding distribution, training attendance, and delivery timelines.
- 1.8.6. **Public data sources:** public data sources were used, including local authority profiles (e.g. council size and type) from the Local Authority Data Explorer. Contract data was used to assess the software market impact of Local Digital Fund solutions. Consultancy rates were also used and funding data from other programmes for VfM benchmarking, and cyber incident data to inform the LACRiM model.
- 1.8.7. Table 3.3 provides a holistic overview of the data collection methods used across the workstreams. The table counts each council once, even if interviewed multiple times between April 2023 and January 2025. In addition to workstream interviews, 20 interviews were conducted with councils selected as case studies for the programme-level analysis, including both participant and non-participant councils. Agile Training was discussed in some Local Digital Fund interviews, though these account for less than 5% of all 397 participants across 39 councils.

Table 3.3. Overview of data collection across workstreams.

Data collection	Local Digital Fund	Future Councils	Cyber Support	CAF	Training
Semi-structured 1-hour interviews (participant councils)	72% (44/61) of funded projects engaged.	50% (4/8) of funded councils interviewed.	14% (26/192) of funded councils interviewed.	40% CAF-10 (4/10) and 50% Future Councils (4/8) interviewed.	17% (8/48) individuals who attended the Executive Education Programme interviewed.
Semi-structured 1-hour interviews (other)	4 (delivery staff) and 5 (project delivery partners).	1 (delivery staff), and 1 (delivery partner).	3 (delivery staff) and 1 (delivery partner).	3 (delivery staff) and 1 (delivery partner).	1 (delivery staff).
Focus groups	1 (7 representatives from LOTI, LGA, SOCITM, and TechUK).	N/A	N/A	N/A	N/A
Surveys	16 Round 6 councils (Digital and Cyber Maturity survey).	8 councils (Digital and Cyber Maturity survey).	N/A	N/A	23% (91/397) of Agile Training participants completed pre and post course surveys.
Council data returns	Project impact data reported by teams, observed and estimated.	Grant spend / budgeting data. Funded activities estimated and / or reported impact data.	CTP remediation actions completion data.	Grant spend / budgeting data. Funded activities estimated and / or reported impact data.	N/A
Desk review	Review of documentation across all 61 projects (project applications, benefit cases, etc.).	N/A	Review of MMR (Mitigating Malware and Ransomware) survey results.	N/A	Review of Agile Training course materials.
Public data	Council profile data. Software procurement data for project impact analysis. Funding data from other programmes for VfM benchmarking.	Council profile data.	Council profile data. Cyber-attack frequency and cost data. Cyber consultancy rates for VfM benchmarking.	Council profile data. Cyber consultancy rates for VfM benchmarking.	Council profile data. DDaT training market rates used for VfM benchmarking.

1.9. Limitations

- 1.9.1. Each workstream chapter details some specific limitations to the evaluation of each of the workstream outcomes. Below is a summary of some of the key limitations.
- 1.9.2. **Inability to conduct econometric analysis:** It has not been possible to undertake econometric analysis to evaluate the programme's impact due to the absence of historical baseline and control group data. In addition, many of the programme's outcomes relate to 'soft' factors - such as changes in culture or organisational ways of working - which are difficult to quantify. The relatively small number of participating councils further limits the statistical power required for robust econometric assessment.
- 1.9.3. **Evaluation timeline too short to assess long-term outcomes:** The evaluation period has been insufficient to determine whether some of the anticipated long-term outcomes have been achieved. While early progress is discussed, it is often more appropriate to consider whether councils are on the trajectory towards these outcomes. This limitation is particularly relevant for the Future Councils and CAF workstreams, as well as certain Local Digital Fund projects. Future evaluations may be needed to assess these impacts.
- 1.9.4. **Lack of reliable impact data:** Particularly in relation to the Local Digital Fund projects, although many initiatives developed benefits cases during the funding process, most have not consistently tracked or reported the realised impact of their solutions. This has restricted the availability of robust impact data across the portfolio. Where data is available, it often originates from a single council or delivery partner. To account for potential bias, an optimism bias adjustment has been applied to all cost saving estimates, as detailed in the Value for Money evaluation.
- 1.9.5. **Limited access to wider stakeholder perspectives:** The evaluation has primarily relied on input from individuals within councils who were directly involved in delivering the workstreams. While efforts were made to interview a range of roles within each council, perspectives from other staff, service users, or residents were not systematically captured. As a result, broader or indirect programme outcomes may not be fully reflected. Where available, they are discussed in the respective workstream chapters.
- 1.9.6. **Challenges establishing causal attribution:** Attributing observed outcomes directly to specific interventions has been challenging. This is due to small sample sizes, variation in council activities, and the lack of a monitored comparison group to establish a counterfactual. These issues are further examined in the Local Digital programme chapter, where case studies are used to help disentangle contributory factors. Similarly, these factors make it difficult to establish clear statistical or objective standards for assigning confidence levels when assessing the programme's impacts. To mitigate this, the evaluation considered multiple factors when considering confidence levels, and validated outcome area assessments with external subject-matter experts

1.10. Local Digital Fund

Summary of workstream

The Local Digital Fund awarded £16.7 million to 61 council-led projects, aiming to modernise council digital systems and processes. Funding was distributed to applicant councils as part of a competitive funding process, with the aim of developed outputs being openly shared with the rest of the council sector, in an open-source model.

Process Evaluation: The Local Digital Fund was delivered broadly effectively, without significant disruption and delay. The Councils reported that the opportunity to work with other local authorities was one of the greatest benefits of the Fund. However, some councils highlighted challenges with joint project delivery, particularly the reliance on individuals rather than organisations to sustain collaboration.

Impact Evaluation: Of the five intended outcome areas for the Local Digital Fund, three were achieved to a Medium extent, and two were achieved to a Low extent. This reflects the conclusion that the Fund did not comprehensively achieve its intended outcomes. Broadly, while the Fund has contributed to the adoption of more flexible and collaborative ways of working, it has not led to significant investment into digital, or many services being scaled. In particular, only 7/61 of the funded projects have led to digital services that are being used by multiple councils, beyond those that were immediately funded, which was a core aim of the Fund. The evaluation also found that there has been no notable change in the digital systems being used by councils, as a result of the Fund.

Value for Money Evaluation: The total monetised benefits of the Fund (£16.7m) do not outweigh its costs (£35.7m). This gives the Fund a Poor VfM category, based on monetisable benefits. Benefits have been calculated by measuring impacts where they are available and projecting impacts, by appraising original project business cases and making reasonable mid-point projections. There are other non-monetisable benefits discussed in the evaluation, but it is unlikely that these would switch the Fund's VfM category.

- 1.10.1. This chapter presents the key Process, Impact, and Value for Money evaluation findings for the Local Digital Fund.
- 1.10.2. The Local Digital Fund, set up in 2018, was the initial workstream of the Local Digital programme, aiming to support local government in achieving the ambitions of the Local Digital Declaration (Local Digital, 2018).
- 1.10.3. The Fund awarded £16.7 million to 61 council-led projects (113 phases) across six rounds, a specific COVID-19 Challenge round, and a Continuous Funding Model (CFM). Table 4.1. details the funding distribution.

Table 4.1. Overview of funding rounds.

Funding round	Financial year	Total funding per round (£m)	Project phases funded	Funding as a % of total
Round 1	2018/19	1.3	16	8
Round 2	2019/20	0.8	6	5
Round 3	2019/20	0.5	7	3
Round 4	2019/20	1.2	6	7
C19 Challenge	2020/21	0.8	13	5
Round 5	2021/22	2.3	9	13
Round 6	2022/23	2.0	17	12
CFM	2020/21 – 2022/23	7.9	39	47

- 1.10.4. Operating on a venture capitalist-type model, the Fund provided seed funding for projects to develop and scale sector-wide solutions. Councils applied as consortia (a lead council and at least two partners), with funding allocated for Discovery, Alpha, and Beta phases, following the Government Digital Service (GDS) Agile framework (Government Digital Service, 2023). The Fund aimed to encourage councils to identify common challenges and establish sector-wide technology systems, standards, and patterns, fostering Agile methodologies and cross-sector collaboration for sustainable change.
- 1.10.5. Section 2 in the Appendix includes the workstream's Theory of Change. This chapter presents findings from the Impact, Process, VfM evaluations of the Fund, covering 2018 to March 2024. Evaluation data was gathered from April 2023 to January 2025. Following Round 6, the Local Digital team decided to discontinue the intervention, a decision informed by insights from Future Councils and preliminary evaluation results.

1.11. Process Evaluation

- 1.11.1. This section summarises the findings from the Local Digital Process Evaluation, which explored how the programme was delivered in practice, highlighting what worked well and limitations in delivery. Findings are grouped into three themes; (1) application and selection process, (2) delivery and execution of workstream activities, and (3) collaboration, capability, and leadership engagement.

Application and selection process

- 1.11.2. Councils applied to the Local Digital Fund by submitting a standard application form. Projects were assessed on; (1) relevance to common sector challenges, (2) potential

cost savings, (3) replicability across councils, and (4) team capability to deliver. Assessment panels comprised staff from Local Digital and other parts of MHCLG. Rounds 1 and 3 also included external experts from government, industry, and academia. The Continuous Funding Model (CFM) was an exception, allowing previously funded projects that showed promise to bypass the formal application process through an interview.

- 1.11.3. **Council participation:** Councils engaged with the Fund in two ways; as a lead council, responsible for project management and receiving funds, or as a partner council. Out of 166 councils that applied (approximately 50% of the sector) to be a lead council, 55 received funding, representing 17% of all councils. Funded councils typically had significantly higher spending power - 92% above the sector average and over twice that of non-participants - largely due to eligibility criteria such as signing the Local Digital Declaration, which skewed participation towards higher-funded authorities (see Appendix Section 5). Although signing the Declaration is a light-touch process, it may have created a self-selection bias amongst councils that were not Declaration signatories (or not planning to become signatories), self-selecting out of applying for funding. This is because they may not have seen themselves as the type of council that the Fund was designed to support.
- 1.11.4. **Council experience with the application process:** Councils found the Local Digital Fund application process clear but resource-intensive, requiring around 30 hours of work on average, which posed a barrier for some. Challenges included securing internal buy-in, data collection, and partner coordination, often leading to reliance on suppliers. This aligns with wider concerns on bidding for grants. For example, the 'Levelling Up the United Kingdom' White Paper (DLUHC, 2022), highlighted high bidding costs as a deterrent to applying for grant funding. Consequently, councils preferred the CFM for its streamlined process, avoiding additional formal applications. Although bidding costs were a small part of overall expenses, councils frequently cited them as a potential barrier to participation.
- 1.11.5. **Funding distribution according to project characteristics:** Funded projects are classified into three main project types; (1) data processes - which refers to projects that seek to link data across different systems to improve service delivery (i.e., identification of vulnerable citizens in an emergency), (2) software systems - which refers to projects that sought to develop software applications to improve or replace existing systems (i.e., a new income management system, or a low-code system to log housing repairs requests), and (3) data standards. Table 4.2. shows the distribution of projects across these categories.

Table 4.2. Project distribution across types.

Project type	Projects	Projects as % of total
Data process	32	53
Software systems	21	34
Data standards	2	3
Other	6	10

- 1.11.6. Some councils felt that, for example, funding data standards, crucial for "fixing the plumbing," should have received higher priority:

"The Digital Declaration itself made a lot of emphasis around what they call "fixing the plumbing" and changing behaviours of suppliers. (...) We don't see a lot of that across the rest of the projects in the programme."

- Chief Information Officer, District Council

- 1.11.7. While the programme's application criteria allowed for both sector-first projects (like data standards) and council-led solutions with potential to scale, most councils submitted the latter. This is because most applicant councils identified the major priorities within their own councils. As a result, the programme funded more locally focused projects, which later faced challenges when scaled. This suggests that although the selection process followed the stated criteria, the types of projects encouraged and funded may not have been best suited to overcome known system-wide barriers, as seen later in this section.

- 1.11.8. Local Digital staff also emphasised that there was a lack of clarity regarding which service areas the Fund should prioritise. To assess this, the 61 funded projects were assessed according to their associated service area based on the categories from Revenue Account (RA) budget returns submitted to MHCLG (MHCLG, 2024).

Table 4.3. Funding distribution across service areas.

Project type	Total funding (£m)	Funding as % of total
Central Services	5.6	33
Children's Social Care	2.9	17
Planning and Development Services	2.8	17
Housing	2.1	13
Adult Social Care	1.8	11
Environmental and Regulatory Services	1.2	7
Education Services	0.4	3

1.11.9. As seen in table 4.3., most funding was directed towards “Central Services”, covering core council administrative functions, but a notable share also went to Adult and Children’s Social Care projects, which lie outside MHCLG’s direct remit. Interviews with councils revealed that there are not many other routes for funding new digital services in the social care sector. This may explain why councils applied for these projects, despite MHCLG’s limited remit.

“We had the major providers in the room (...) who provide adult social care and children’s and family services, and they have no solution (...) MHCLG was not prepared to fund this work, right? But there was a real gap in how you are going to get the technology to support the incoming policy changes in this area.”

- Head of Digital Innovation and Change, London Borough

1.11.10. **Project duplication:** The evaluation identified instances where projects duplicated work, such as two separate projects aimed at improving taxi licensing, or multiple projects attempting to link data across systems but facing similar barriers. Although the Fund delivery teams attempted to coordinate these efforts, limited resources constrained collaboration. However, this issue may also reflect project selection by the Local Digital team, suggesting that a more strategic selection process could have reduced overlap.

1.11.11. The diverse distribution of funding across project types and service areas, combined with stakeholder feedback, suggests the Fund may have lacked a clear strategic focus relative to its intended outcomes, a point explored further in the Impact Evaluation.

Delivery and execution of workstream activities

1.11.12. Lead councils were responsible for managing project delivery, coordinating internal teams, partner councils, and external delivery partners.

Delivery of funded projects

1.11.13. All interviewed councils agreed that MHCLG funding sufficiently covered procurement and recruitment costs, but most highlighted that the significant officer time required to lead projects was unfunded. This is further discussed in the VfM section of this chapter.

1.11.14. It was also noted that partner councils often did not actively participate in the project’s execution, thereby contributing little to alleviating the burden on lead councils. Some councils expressed the view that this could be linked to lack of clarity regarding partner council involvement in project delivery.

“We have certainly done some engagement, but I think we were probably hoping that we would have some more (...) I suppose that was the kind of collaboration that I was probably envisaging, perhaps wrongly.”

- Solutions Delivery Lead, Metropolitan District

1.11.15. Because of the time commitment involved, councils highlighted that the projects ended up being led and dependent on individual contributors within councils. In this way, the role of individual champions, rather than specific councils, has been linked to both successful partner engagement and the successful delivery of projects.

“It is very much powered by individuals in that if the individual likes it and is motivated, and is given the leeway within their role to have that ability to take on some of the projects like this, then that’s great.”

- Digital Solutions Team Leader, District Council

1.11.16. As discussed later in this section, this reliance on individual champions is likely to have impacted the long-term sustainability and scalability of funded projects.

Local Digital delivery support

1.11.17. Local Digital provided valued support alongside funding, especially in early rounds where dedicated collaboration managers offered personalised assistance.

“They are so supportive (...) you don't feel like you're just speaking to this big group of people (...) if you attend one of the webinars straight away, they recognise you, they ask how things are going, and I don't think you could ask for much better support.”

- Solutions Delivery Lead, London Borough

1.11.18. However, Local Digital staff faced internal uncertainty about their roles, as councils often requested help beyond the team’s remit, highlighting a need for clearer guidance and expectations.

“It would be nice to see a framework for the way in which this team is going to work in the future (...) so councils themselves can understand the ways in which we are going to be able to support them and manage their expectations.”

- Local Digital delivery staff

1.11.19. This also reflects a broader design issue: insufficient planning for project continuation beyond the Beta phase.

Long-term project sustainability and scalability

1.11.20. A recurring theme across Local Digital Fund projects was the challenge of ensuring long-term sustainability and scalability. The key challenges identified in this area across project types were as follows.

1.11.21. **Data processes (32 projects):** Many projects focused on improving service delivery by utilising data across different council systems. These projects commonly encountered challenges related to establishing information governance processes for secure and lawful data access and aligning diverse data formats across systems for effective use.

Even where individual councils overcame these challenges, scaling developed solutions proved difficult due to variations in software, data formats, and data-sharing agreements across councils. This meant projects, though reproducible, could not be easily scaled, thus limiting the potential for shared solutions and cost savings

“All the plumbing to get both parts to connect is quite unique to each council because they use different systems (...) you can’t create a common solution.”

- Head of Data, Metropolitan District

- 1.11.22. **Software systems (21 projects):** These projects created open-source software to either replace or enhance existing council software systems. A significant challenge to sustainability and scalability was that open-source solutions typically require developer expertise for deployment and maintenance, which many councils reportedly lacked. More critically, councils often cited the absence of a clear model for long-term ownership or governance. Councils developing these tools expressed hesitation in assuming the role of software vendors and becoming responsible for ongoing ownership and maintenance. Without a dedicated organisation to maintain and support the software, other councils reportedly hesitated to adopt it, perceiving the risks as too high.

“No local authority wants to be responsible for building and hosting a software-as-a-solution platform (...) Open-source makes the most sense, but you have to be of a certain maturity as a local authority to use it.”

- Product Manager, London Borough

“I’m a great advocate of this product (...) but I can’t make a business case for it (...) Who do I phone on a Friday when it goes down?”

- Head of Communities and Improvement, District Council

- 1.11.23. **Data standards (2 projects):** These projects aimed to create sector-wide standards for describing, recording, and sharing data across local government software systems. However, without official endorsement from central government or other sector organisations, councils leading these projects highlighted that there was a lack of incentive for other councils and suppliers to adopt them.

“It’s all very well us coming up with data standards as a little project out of the Local Digital Fund. Actually, we need the Government to say: ‘these are the standards and then suppliers will adopt them, and departments will stand up data in that format’.”

- Staff member, Local Digital Fund Council

- 1.11.24. These findings suggest design issues regarding the Fund’s delivery model, particularly regarding the type of projects funded and the absence of a long-term strategy for the deployment, maintenance, and scaling of outputs. This is reflected in the Impact Evaluation, which notes limited adoption and scaling (see Outcome areas 1 and 2).

Software market challenges

- 1.11.25. Beyond project-specific challenges, councils consistently identified issues within the existing supplier market as major barriers to adoption and scalability. Following are the recurring themes.
- 1.11.26. **Barriers to system integration:** Councils reported facing significant challenges when trying to integrate data across different software systems. This lack of interoperability made it difficult to share data, even within the same organisation (e.g., linking up resident data held across two systems). Even in cases where councils used the same software suppliers, system configurations were often customised, meaning solutions developed in one council could not be easily replicated elsewhere.
- 1.11.27. **Barriers to data migration:** Councils reported that extracting data from existing systems was often challenging and expensive. Sometimes, data was 'locked in' behind high access fees. In other cases, systems did not allow for automated data extraction, or the council lacked the expertise to do this, resulting in time-consuming manual processes. This added to the financial and technical barriers that prevented councils from adopting new solutions.
- 1.11.28. **Long contract lengths and lack of supplier choices:** Many councils reported being locked into long-term contracts with software vendors, which made it difficult to switch to more flexible or modern software. Furthermore, many councils complained about the lack of choice when it came to certain software systems such as Revenues and Benefits, frequently describing these markets as highly concentrated.
- 1.11.29. These issues reportedly limited councils' ability to deploy and scale outputs from the Local Digital Fund. While the 2018 Local Digital Declaration aimed to "fix the plumbing," these systemic issues reportedly persist, and the Fund's delivery model appeared to struggle in effectively overcoming these challenges.

Software market analysis

In 2024 and 2025, PUBLIC worked with MHCLG to conduct primary research into the local council software markets across several sectors; (1) Adult's Social Care, (2) Children's Social Care, (3) Enterprise Resource Planning (ERP) and Income Management Systems (IMS), (4) Financial Management Systems (FMS), (5) Housing Management Systems (HMS), and (6) Revenues and Benefits. More details on the analysis can be found in Section 7 in the Appendix. Key findings are summarised below:

Market concentration

- Market concentration is strongly linked to whether local government is the sole customer. Where government is the single buyer, as in Social Care, IMS, and Revenues and Benefits, the market tends to be highly concentrated. For example, in Social Care, three suppliers represent 96% of the market; in IMS three suppliers serve the entire market.

- Markets that also sell to the private or third sector (HMS, FMS and ERP) are more competitive. In HMS, although 3 vendors represent over 66% of the market share, there are 14 vendors in total. With FMS and ERP, each has more than three vendors, with the market leader below 35% share.

Pricing

- Typical annual contract values cluster in the £150-260k band for HMS, Social-Care, FMS and Revs and Bens, but diverge at the extremes: ERP averages £350-600k; IMS averages £90-120k.
- In general, pricing follows a predictable pattern, in that price scales with operational size. The unit varies, such as housing stock (HMS), social-worker headcount (Social Care), property tax base (Revs and Bens) or module count (FMS/IMS). Headline prices tell only part of the story; implementation cost and duration vary far more sharply.

These findings complement the evidence gathered through the Local Digital Fund evaluation. They support councils' claims that some supplier markets are oligopolistic, offering limited choice. However, as further discussed in the Impact Evaluation (Outcome area 2), they also suggest that the Fund's model has struggled to drive significant change across these key markets.

Collaboration, capability, and leadership engagement

1.11.30. **Collaboration across councils:** One of the central aims of the Local Digital Fund was to promote collaboration among councils. Councils consistently reported that the opportunity to work with other local authorities was one of the greatest benefits of the Fund. Key benefits identified from collaboration included allowing councils to test developed solutions on a broader scale and learn from one another's experiences in digital transformation.

"I have to say [collaborating with other councils] has been really enjoyable and a real eye opener for different ways of working and working with other councils."

- Digital Solutions Team Leader, District Council

1.11.31. However, some councils highlighted challenges with joint project delivery, particularly the reliance on individuals rather than organisations to sustain collaboration. Furthermore, the Impact Evaluation (Outcome area 4) showed that councils struggled to maintain collaboration beyond the Fund - largely due to the lack of resource-based incentives and external coordination - despite recognising its value.

1.11.32. **Capability-building:** Increasing Agile delivery capability and the use of Agile methodologies across councils was another of the key objectives of the Local Digital Fund. Councils noted that implementing Agile methodologies in a project setting helped them build capabilities in this area. The Agile Training offered to all funded projects was identified as important in this regard, providing councils with foundational knowledge. A more detailed assessment of the impact of the Local Digital Fund on capability-building across councils is presented in the Impact Evaluation (Outcome area 3).

1.11.33. **Leadership engagement:** Interviewed project teams highlighted differing levels of engagement from council leadership with funded projects. As discussed earlier in this section, councils reported that progress and success of projects predominantly relied on individual council champions rather than council leadership, which created issues with regards to the long-term project sustainability. Local Digital delivery teams recognised that this is an area where the Fund could have supported further.

“I think that senior buy-in is still lacking a bit. Having that capacity to really get into the councils and get that buy-in from seniors is something to work on”

- Local Digital delivery staff

1.12. Impact Evaluation

1.12.1. This section outlines the Impact Evaluation of the Local Digital Fund. Outcomes from the Theory of Change were clustered into five outcome areas based on common themes, summarising findings for each area and indicating the degree to which outcomes have been realised.

Outcome area 1. Implementation and scaling of project outputs

1.12.2. In the short term, the Fund aimed for projects to successfully deploy or implement their outputs. This meant Discovery and Alpha projects would progress or iterate, while Beta projects sought implementation in real council settings. The intermediate and long-term goal involved deploying developed solutions within councils and scaling them across the sector.

Evaluation findings

1.12.3. Out of the 61 projects funded through the Local Digital Fund, 19 resulted in projects that have been used in a council setting, with 15 currently in use (31% and 25% of funded projects, respectively). An additional 7 are still in development.

1.12.4. The projects' status, shown in Table 4.4, offers a holistic overview of progress to date.

Table 4.4. Overview of funded project status.

Project status	Definition	Number of projects
Projects with implemented outputs	Projects that resulted in outputs being used (currently or previously) within a council.	19 (15 currently in use, and 4 no longer in use)
Projects with in-development outputs	Projects still receiving funding (from councils or other organisations) to continue deploying their outputs.	7
Projects that developed guidance	Projects that created openly available guidance or assets for councils. However, information on actual use by councils is unclear.	4
Projects that produced prototypes	Projects that developed a prototype or code (e.g., on GitHub) but did not continue due to lack of funding or council support.	7
Projects that produced discovery findings	Projects that published findings from Discovery work but did not continue due to funding or council prioritisation. Evaluation findings suggest that two projects intentionally decided not to proceed.	20

Explanatory note of Table 4.4. The data is sourced either from the projects themselves or from the records maintained by the Local Digital Fund team. The information is current as of January 2025. Notably, 12 out of 20 projects that have stopped at Discovery are from Round 6 (spring 2023) after which no additional funding was available. There is no information available on the status of 4 projects.

1.12.5. The LDF's success rate - 19 out of 61 projects resulting in deployed solutions - should be interpreted with caution, as there are no directly comparable schemes to benchmark against. However, the rate should be considered in the context of the common challenges in public sector IT delivery, such as legacy systems and budget constraints (Balka et al., 2022). Only seven projects, representing 11% of the total, were adopted by further councils, beyond those that were originally funded to develop the solution. Again, there is no equivalent scheme or programme that this scaling rate can be directly benchmarked against. Table 4.5 lists these scaled projects.

Table 4.5. Overview of Local Digital Fund projects scaled.

Project title	Adopting councils	Type
Quality data for children in care	65	Data process
LocalGov Drupal	51	Software system
Development data automation	35	Data process
Reducing Invalid Planning Applications (RIPA)	18	Software system
Open Referral UK	9	Data standard
A task management tool for neighbourhood services staff working in the field	3	Data process
Housing Repairs	2	Software system

Explanatory note of Table 4.5. The data is sourced either from the projects themselves or from the records maintained by the Local Digital Fund team. This information is current as of January 2025. ‘Adopting councils’ refers to the original funded councils, and any additional councils that have adopted the developed solution.

- 1.12.6. It should be noted that out of the seven projects still in development, four are being tested across different councils, which could lead to an increase in the number of scaled projects. This includes the Scalable Approach to Vulnerability Via Interoperability (SAVVI) project, which is being further developed but has been piloted in different councils. However, none of these seven projects have yet achieved cross-sector adoption or scale.
- 1.12.7. Barriers to scalability, as discussed in the Process Evaluation, include uncertainty around governance and ownership, and technical issues with council software systems. Scaled projects adopted various delivery and maintenance models:
- The Quality Data for Children in Care project (funded in 2018) is now maintained by Data to Insight – a sector-led service focused on supporting data professionals in children’s services within councils – which has taken on the role of tech vendor and maintains the solution through internal and grant funding.
 - LocalGov Drupal led to the formation of the Open Digital Community, a council-run cooperative that supports the platform through voluntary contributions.
 - The Greater London Authority continues to oversee Development Data Automation on behalf of London boroughs.
 - The Open Referral UK data standard, initially funded through the Fund, was adopted by MHCLG in 2024 for broader rollout.
 - RIPA (Reducing Invalid Planning Applications), initially funded by Local Digital, is now being supported by MHCLG’s Digital Planning team, under Open Digital Planning.

- 1.12.8. These examples show potential for sustainable models where public bodies take ownership. However, most are new, and their long-term sustainability remains uncertain, often relying on grant funding or voluntary contributions, posing a risk to continued delivery and impact without clear maintenance strategies.

Analysis of findings

- 1.12.9. **Achievement score:** Low to Medium. While 31% of projects led to outputs deployed in live council settings, only 11% achieved scale. This, combined with uncertainty around the long-term sustainability of scaled solutions, limits the overall impact.
- 1.12.10. **Confidence score:** Medium. The conclusion is based on project status information directly provided by the Local Digital team and funded projects. This gives a clear evidence base on the current levels of adoption and scaling of funded projects. However, the confidence score has been downgraded due to the fact these adoption and scaling rates may change over a longer time-horizon.

Outcome area 2. Impact of project outputs

- 1.12.11. The implementation of project outputs was expected to bring benefits to councils where they were deployed in the intermediate term. Over the longer term, scaling these outputs aimed to deliver benefits across adopting councils, including cost and time savings, improved resident outcomes, and enhancements to the local government software market, such as increased interoperability and competition.

Evaluation findings

- 1.12.12. To assess project-level impact, the evaluation focused on the 19 projects with implemented outputs. These represent a small, non-representative subset of funded projects. Only 12 of these provided impact data, primarily estimated and self-reported, and none established baseline measurements or ongoing impact monitoring, limiting firm conclusions.
- 1.12.13. From the 12 projects reporting impact data, most cited cost savings from digitising previously manual processes (see Table 4.12 in this section). Some, like LocalGov Drupal and the Community Grants Service, also reported cost savings from replacing legacy systems with low-code or open-source alternatives. Increased staff satisfaction due to improved internal processes was another common theme. For example, the 'Offline Data Input Tool for Field Working Council Staff' case study video includes testimonials praising the 'Guardian App,' which enabled mobile data entry and eliminated manual printing (Local Digital, 2023b). There have been limited data collection attempts to understand how these projects might have translated to better resident experiences.

1.12.14. Regarding impact on the local government software market, LocalGov Drupal is the only project that scaled sufficiently to achieve this, becoming the third-largest supplier in the local government CMS market within three years (see Table 4.6).

LocalGov Drupal market impact

The CMS local government market can be described as competitive, with 35 suppliers in 2021, and 32 in 2024. LocalGov Drupal was, as of July 2024, the third most used CMS, holding a 14.3% market share and overtaking the non-council-specific Drupal CMS upon which it was designed, as shown in Table 4.6. This makes LocalGov Drupal the only Local Digital Fund project that has had a direct impact in its market.

Table 4.6. Comparison of Top CMS Systems Used in Local Government in England 2021 vs 2024.

CMS	Councils (2021)	Councils (2024)	Market share (2024) (%)
Jadu	59	60	19
Umbraco	52	49	16
LocalGov Drupal	0	45	14
Drupal	57	32	10
GOSS iCM	30	29	9
WordPress	16	18	6
Contensis	11	18	6
Other	89	81	20

1.12.15. Many projects did not achieve intended market impact due to their limited scope. While LocalGov Drupal developed a full system, many others focused on specific software components or data tools addressing narrow issues within existing core systems. These provided valuable immediate fixes but lacked the scale for broader market disruption. For instance, Quality Data for Children in Care developed tools to improve the accuracy of statutory returns (SSDA903 and CIN). While the tools helped councils reduce time spent fixing data errors, they did not address the root cause of legacy systems failing to catch errors at entry.

1.12.16. Despite this common approach, exceptions exist. Some projects, like 'Revs and Bens' and 'Income Management,' aimed to adapt open-source solutions for broader sector-wide adoption, but currently remain on hold due to a lack of resources and maintenance models. With appropriate conditions, these systems could compete with established market solutions. Additionally, MHCLG is providing further funding to two LDF-funded data standards projects, 'Open Referral UK' and 'Scalable Approach to Vulnerability via Interoperability (SAVVI),' to promote sector-wide adoption (MHCLG Digital, 2023). If successful, these could contribute to the Fund's goal of driving interoperability.

1.12.17. While some funded projects delivered localised benefits, notably time savings, a lack of robust impact data makes it difficult to assess their overall effectiveness. At a broader market level, only LocalGov Drupal has demonstrated sufficient impact to influence its software market. The VfM section calculates project benefits by applying additionality percentages, based on the categorisation introduced in the Outcome area 1 discussion.

Analysis of findings

- 1.12.18. **Achievement score:** Low. Although 12 out of 61 funded projects reported delivering localised benefits - mainly in terms of time efficiency savings - only one, LocalGov Drupal, has achieved meaningful scale and market influence.
- 1.12.19. **Confidence score:** Medium. Project-reported data is mostly anecdotal and self-reported. Still, there is supporting evidence - such as the limited scaling of projects (11%) discussed in Outcome area 1 - that suggests their broader sector impact remains constrained.

Outcome area 3. Adoption of Agile ways of working

- 1.12.20. The Fund's requirement for projects to be delivered using Agile methodologies, along with the opportunity for teams to attend Agile delivery training, was intended to promote the adoption of Agile and digital delivery practices at three levels; (1) within project teams in the short term, (2) across funded councils in the intermediate term, and (3) more broadly across the local government sector over the longer term. These were primarily evaluated through our interviews with funded councils.

Evaluation findings

- 1.12.21. The Local Digital Declaration aimed to embed best practices from the UK Government Digital Service (GDS) Service Manual (Government Digital Service, 2023) - including Agile project delivery - into local government. In support of this aim, the Local Digital Fund provided funding for Discovery, Alpha, and Beta phases; delivered Agile training; and encouraged practices such as user-centred design, working in the open, and multidisciplinary team working.
- 1.12.22. Individuals in delivery roles on funded projects reported that the Fund helped them reinforce or develop their understanding of digital delivery best practices through hands-on work, collaboration with digital suppliers, and Agile training.

“The team were exposed to a user centred design team with specialists (...) having that exposure to new tools and techniques is really helpful (...) and we've implemented them in other projects now.”

- Service Manager, District Council

- 1.12.23. Some councils also shared these approaches more widely internally, hosting show-and-tells or commissioning Agile training for colleagues.

“(...) because we've successfully delivered the tool and a number of iterations, it's really opened eyes across the organisation to the benefits of Agile (...) We have given licences to people outside the team to help them build Agile knowledge (...) We're putting together an animated cartoon that talks about iterative delivery, and how that can work.”

- Business Analyst, Unitary Authority

1.12.24. These examples suggest Agile and user-centred benefits sometimes extended beyond the original project team. However, adoption was largely concentrated within digital teams, with progress often led from the ground up and limited strategic support from senior leadership. A Head of Digital Strategy and Design noted the Fund "definitely exposed more people to Agile, but it's not created a tipping point yet".

1.12.25. At the sector level, interviewees suggested the LDF and Declaration contributed to professionalising digital delivery in local government, accelerating the adoption of a shared language around Agile and digital delivery.

"I think if [the Local Digital Fund] hadn't happened it may have taken longer to land some of the common language and approaches (...) the value of service design, user research"

- CDIO, London Borough

1.12.26. However, this understanding and use of Agile methods remains primarily within digital teams. Interviewees noted that there is still a significant gap between digital and non-digital staff in terms of awareness and application of Agile methods.

"I definitely do think that there is probably quite an emphasis on practitioners or professionals already working in a digital space. Whereas that does leave behind those sort of senior managers or leaders who are leading services with a significant data or digital need."

- UK local government digital transformation expert

1.12.27. The additionality of Agile adoption varied significantly with council digital maturity. The Fund often introduced Agile practices to less mature councils, demonstrating high additionality where these methods were previously unfamiliar. More digitally mature councils, already using Agile, experienced less additional benefit. Despite this, broader organisational application challenges remained consistent across all council types.

Analysis of findings

1.12.28. **Achievement score:** Medium. Based on interviews with 72% of funded councils, the Local Digital Fund supported Agile and digital delivery skills development within delivery teams. Most of these councils reported gaining or reinforcing skills through hands-on project work, collaboration with suppliers, and participation in Agile training. A small number ran internal show-and-tells or invested in additional training for wider teams. However, there is limited evidence that these practices extended beyond digital teams, and no clear indication of wider organisational or sector-wide adoption.

1.12.29. **Confidence score:** Medium. While the lack of baseline data and consistent monitoring limits a full quantitative assessment, feedback from 72% of councils provides strong qualitative evidence of skills development and internal knowledge-sharing.

Outcome area 4. Adoption of collaborative ways of working

1.12.30. The Local Digital Fund aimed to encourage councils to adopt more collaborative ways of working. This included achieving successful collaboration across participating councils in the short term and fostering collaboration in digital project delivery beyond the Fund.

Evaluation findings

1.12.31. Interviews with project teams and sector experts suggest that - despite some challenges discussed in the Process Evaluation section - the Fund's collaborative approach was well received. All interviewed project teams recognised the value of working together and viewed it as the right approach to digital transformation.

1.12.32. Many interviewees noted that the Fund fostered informal knowledge sharing. The Local Digital Slack channel was often cited as a key platform where councils seek advice on recruitment for digital-related roles and approaches to common challenges. However, most councils reported that collaboration established after projects remained "very informal", with few councils collaborating on further work beyond the Fund. Interviewed experts - including representatives from sector organisations such as the London Office of Technology and Innovation (LOTI) and the Local Government Association (LGA) - suggested the Fund's approach did not provide enough support to sustain ongoing collaboration, which requires continuous resources. Interviewees cited organisations like the LOTI as more effective models.

"Collaboration doesn't come for free (...) they did have their collaboration managers in place, but it was generally one person shared across a number of projects which is completely inadequate when it takes a month to find one meeting time that everybody on a project can make. (...) So there's an institutional answer to the collaboration point, which is that you need some sort of structure and some scaffolding around it to make it actually operate effectively."

- UK local government digital transformation expert

"[the Local Digital Fund] hasn't hindered [collaboration] in any way. But I don't think it's been a massive catalyst for what we've done in London. For example, I think actually the structure of something like LOTI has been more of the catalyst because it's put a real structure about that collaboration rather than it being bid based."

- Chief Digital Information Officer (CDIO), London borough

1.12.33. When considering additionality, the collaborative project delivery would likely not have happened without the Fund. The intervention provided the structure, funding, and incentives necessary for councils to work together on defined projects. Council structures do not typically encourage cross-council collaboration, and in most cases, collaboration was driven by individuals in digital teams rather than by strategic decisions at the organisational level. The Fund gave these teams the forum and structure to work on projects together, which would have otherwise been absent. This suggests that such

collaboration would have been unlikely to occur independently or at scale without the Fund. For projects with lower additionality, some activity may have happened in isolation, but the collaborative format of delivery was enabled by the intervention.

Analysis of findings

- 1.12.34. **Achievement score:** Medium. The findings suggest that the Local Digital Fund effectively promoted collaboration during project delivery and helped establish connections among professionals in digital roles across the sector. However, no evidence has been found across interviews of councils engaging in joint project delivery beyond funded projects because of the Fund.
- 1.12.35. **Confidence score:** Medium to High. The conclusion is based on consistent feedback across the whole sample of Local Digital Fund projects (72%) and interviews with sector experts.

Outcome area 5. Increase in digital transformation investment

- 1.12.36. By improving digital delivery skills across the sector and generating increased interest in project outputs, the Fund was expected to encourage participating councils to promote and initiate more digital transformation projects. This, combined with greater collaboration, was anticipated to drive an increase in digital transformation investment across the local government sector.

Evaluation findings

- 1.12.37. Findings on the lack of scaling of funded projects (see Outcome area 1) show that, in most cases, project outputs did not prompt other councils to invest in adopting these solutions. Despite this, many project teams reported dedicating time and resources beyond the initial funding, indicating that the financial support might have indirectly fostered additional council investment in digital transformation.
- 1.12.38. Additionally, as mentioned in Outcome area 4 (Adoption of Agile ways of working), the Fund, alongside the Local Digital Declaration, raised the profile of digital transformation work within the local government sector.

“A really helpful thing in terms of impact is just putting digital on the agenda. You know, I think it has enabled digital to either get on or stay on the agenda of those councils which receive funding.”

- UK local government digital transformation expert

- 1.12.39. This increased awareness may have indirectly encouraged greater investment in digital transformation initiatives among both participating and non-participating councils. However, the extent to which this was because of the Fund remains difficult to isolate and quantify. When assessing additionality for this outcome area, the case study

analysis (presented in Chapter 9) suggests that the Fund's contribution was likely more pronounced in less digitally mature councils. In at least two cases, councils funded further digital training as a direct result of participation. More broadly, digital staff in several councils reported that involvement helped build internal support for future investment, though this was difficult to isolate. In contrast, for more digitally mature councils, the Fund mainly accelerated existing transformation efforts.

Analysis of findings

- 1.12.40. **Achievement score:** Low. Although the Fund might have indirectly contributed to an increase in council investment in digital transformation, little evidence has been found across interviews of councils investing in further digital transformation projects beyond those directly funded through the intervention.
- 1.12.41. **Confidence score:** Low to Medium. This assessment is based on consistent feedback from participating councils. However, in the absence of baseline or comparative funding data, it is not possible to draw firm conclusions about wider investment trends.

Unintended outcomes

- 1.12.42. The following unintended outcomes associated with the Local Digital Fund were observed:
- **Established relationship between central and local government regarding digital work:** As a CDIO from a London borough noted, "In 2018, the relationship between central government and local government in this space was either non-existent or there was a lot of distrust". Similarly, a lead from a key local government digital organisation mentioned that without the Fund, they "would have had almost no engagement with MHCLG over the last decade," highlighting how the Fund became their primary "route into central government".
 - **Governance and management issues:** Several funded projects paused without delivering substantive outcomes. This often occurred after Discovery phases, due to changes in council priorities or the departure of key project leads. However, in cases like the 'Income Management System' and 'Revs and Bens,' a lack of clear plans for deployment and ongoing governance caused Alpha and Beta projects that received substantial investment to be put on hold or retired. If these projects do not resume, they may represent missed opportunities to maximise the value of the initial investment.

Impact Evaluation discussion

Outcomes overview

- 1.12.43. Table 4.7. provides a summary of the extent to Outcome areas have been achieved, along with confidence levels based on the available evidence.

Table 4.7. Overview of Local Digital Fund outcomes.

Area	Evidence summary	Achieved	Confidence
Outcome area 1. Implementation and scaling of project outputs	Based on information reported by 44 of 61 projects (as of January 2025), and supplemented by Local Digital, 26% of funded projects have been deployed, and 11% have scaled. Information gathered through the evaluation suggests a high level of uncertainty regarding the future maintenance of scaled projects.	Low to Medium	Medium
Outcome area 2. Impact of project outputs	Although 12 of 61 funded projects reported delivering localised benefits, primarily related to time efficiency, only one project - LocalGov Drupal - has achieved significant scale or wider market influence. Evidence is largely self-reported by project teams, with no consistent mechanisms in place to measure impact.	Low	Medium
Outcome area 3. Adoption of Agile ways of working	Based on interviews with 72% of funded councils, the Fund supported Agile skills development within delivery teams, with some internal sharing and training. However, there is limited evidence of wider organisational or sector-level adoption.	Medium	Medium
Outcome area 4. Adoption of collaborative ways of working	Based on interviews with 72% of funded councils and sector experts, the Fund supported collaboration during delivery and helped connect digital professionals. However, there is no evidence of ongoing joint delivery beyond funded projects.	Medium	Medium to High
Outcome area 5. Increase in digital transformation investment	Based on interviews with 72% of funded councils there is little evidence that the Fund led to further investment in digital transformation beyond funded projects.	Low	Low to Medium

Theory of Change discussion

- 1.12.44. The Impact Evaluation identified two key areas where assumptions in the original Theory of Change for the Local Digital Fund did not hold in practice.
- 1.12.45. **Scalability and sustainability of outputs:** The Theory of Change assumed that if project outputs were openly shared and councils collaborated during delivery, this would lead to sector-wide adoption of new tools, standards, and processes. However, this causal link did not materialise as expected. In most cases, outputs were not taken up widely by other councils or software vendors. The evaluation found that sharing alone

was insufficient - sustained adoption often depended on other organisations stepping in to maintain, promote, and support the solutions. In addition, technical barriers such as interoperability issues and the absence of common data standards further limited take-up.

- 1.12.46. **Scale of impact on the local government software market:** The Theory of Change expected that widespread adoption of funded solutions would improve the quality of software on the market and increase supplier competition. These long-term outcomes were not achieved. A key reason was the lack of scaling, but also that many funded projects focused on small system components rather than whole-system reform. As a result, even successful projects lacked the breadth and depth needed to influence the market at scale. Future interventions may need to consider whether project scope and design align more closely with intended system-level impacts.

1.13. Value for Money

- 1.13.1. This section presents the Value for Money evaluation of the Local Digital Fund across economy, efficiency, and effectiveness.

Economy and efficiency

- 1.13.2. Findings from both the Process and Impact Evaluations suggest that the Fund’s delivery model may not have been the most efficient for achieving its intended outcomes. In particular, the types of projects funded, and the assumptions made about project scalability, appear to have limited the Fund’s overall impact.
- 1.13.3. Table 4.8 compares average funding awarded to Discovery, Alpha, and Beta projects through the Local Digital Fund with average spending on comparable projects from publicly available contract data across the public sector. This provides a benchmark for the efficiency of the funding. Although the Fund’s grants were generally higher - between 8.44% and 54.22% above these benchmarks - this can be partly justified by the Fund’s original aim to foster collaboration among councils and deliver greater value for money through joint efforts.

Table 4.8. Comparison of Local Digital Fund funding vs. contract spend across project types.

Project phase	Number of funded projects	Average Local Digital Fund grant funding (£k)	Average funding (based on contract data) (£k)	Difference (%)
Discovery	32	86.5	49.6	54
Alpha	36	107.4	98.7	8
Beta	45	281.1	171.9	48

Explanatory note of Table 4.8. The data used to calculate the average funding, based on contract data, has been sourced from the public contracts database Tussell. All contracts considered fall under the CPV (Common Procurement Vocabulary) code 72220000 (Systems and technical consultancy services). These contracts have been filtered to include those that can be comparable to Local Digital Fund Projects. It is important to note that the reliability of this data is limited due to small sample sizes: Discovery (38 projects), Alpha (5 projects), and Beta (6 projects).

1.13.4. However, as collaboration did not lead to effective scaling of solutions, the evaluation suggests reconsidering the balance of funding in future models. Specifically, less emphasis could be placed on early Discovery projects, and more on ensuring long-term sustainability and ownership of developed solutions. For example, the LocalGov Drupal project’s ongoing maintenance costs average £452k annually, more than one third of its initial £1.2m funding. This underscores the importance of planning for long-term sustainability from the outset, findings that align with the Performance Review of Digital Spend (HM Treasury, 2025).

Effectiveness

1.13.5. To evaluate the effectiveness of the Local Digital Fund, a cost-benefit analysis considered all the costs and benefits associated with the intervention.

Costs

1.13.6. Table 4.9. below outlines all the cost information gathered from the Local Digital Fund.

Table 4.9. Overview of Local Digital Fund costs (real).

Cost types	Incurred by	Total (£m)
Direct grant funding costs (reported)	MHCLG	19.8
Consultancy costs (reported)	MHCLG	3.7
Staff costs (reported)	MHCLG	1.1
Additional funding (estimated)	MHCLG Digital Planning	1.3
Additional council investment (reported)	Councils	1.1
Output maintenance costs (reported)	Councils	4.9*
Bidding costs (estimated)	Councils	0.2
Project management costs (estimated)	Councils	3.3
Total	MHCLG and Councils	35.4

Explanatory note of Table 4.9. Each cost type is labelled as either “reported” - meaning it was directly provided by MHCLG and/or councils - or “estimated”, where figures have been calculated based on other reported data points. See Section 9 of the Appendix for additional details on cost estimation. Costs have been adjusted for inflation to FY24/25 prices.

* (and additional non-monetised)

Monetised benefits

- 1.13.7. Of the 19 projects with implemented outputs, only 12 reported impact data, including both estimated and actual figures. To assess VfM, a BCR was used that included all relevant costs - such as bid preparation, programme management, and grant funding. A 3.5% discount rate was applied to both costs and benefits, following HM Treasury's Green Book guidance. To reflect the fact that some benefits may have occurred without the Fund, project-specific additionality percentages from the Impact Evaluation were used. Finally, a 62.75% optimism bias adjustment was applied, to reflect the typical gap between expected and realised benefits, based on data from the 4 projects that provided observed impact figures. The remaining 8 projects rely on estimated benefits.
- 1.13.8. Project additionality (i.e., the extent to which the Local Digital Fund enabled outcomes that would not otherwise have occurred) varied based on project scope (sector-wide vs. council-specific), complexity, and council digital maturity. As precise estimates were not feasible, qualitative evidence from interviews was used to classify projects into four additionality levels. As additionality varies across projects, it was assessed only for the 12 projects where impact data was available (see VfM section). Each level is associated with an indicative percentage bracket, reflecting the estimated degree of additionality attributable to the Fund (see Table 4.10.).

Table 4.10. Local Digital Fund projects additionality.

Additionality level	Description	Indicative bracket (%)
High	Projects designed to deliver sector-wide benefits from the outset (such as 'Revs and Bens' or 'SAVVI' data standards). Six projects for which impact data is available fall within this category.	90 – 100%
Medium to High	Council-initiated projects with potential to scale, but unlikely to proceed independently due to limited resources or delivery experience of lead council. Three projects for which impact data is available fall within this category.	50 – 89%
Medium to Low	Less complex projects leveraging existing tools, more feasible without external funding. Two projects for which impact data is available fall within this category.	11 - 49%
Low	Projects primarily meeting individual council needs, with evidence that similar work has been funded internally in the past. One project for which impact data is available falls within this category.	0 - 10%

- 1.13.9. The findings (as shown in Table 4.10). suggest that a relatively high proportion of these projects fall within the high or Medium to High additionality levels. However, as they represent only 20% of all funded projects, it is not possible to draw firm conclusions about the overall additionality of this outcome area.

1.13.10. Additionality percentages have been applied to the BCR calculations conducted for each of the 12 projects with available impact data. This has been used to estimate the percentage of the realised or estimated project benefits that are attributable to the Fund (see VfM section).

1.13.11. Supporting tables provide further detail: Table 4.11 shows the additionality percentages used, based on the four additionality levels classified in Table 4.10 of the Impact Evaluation, with mid-values taken from each bracket. As precise additionality estimates were not feasible, qualitative evidence from interviews was used to classify projects into four additionality levels. Table 4.12 summarises the types of benefits reported across the 12 projects. A case study of the LocalGov Drupal project is used as an illustrative example.

Table 4.11. Local Digital Fund additionality percentages.

Additionality level	Percentage applied
High	95
Medium-high	69.5
Medium-low	30
Low	5

Table 4.12. Local Digital Fund monetised benefits.

Benefit group	Description	Projected benefits considering additionality (£k)	Benefit as % of total
Process efficiency gains	Time savings from staff driven by digitisation and automation of manual or paper-based tasks.	10,047	63
Software savings	Cost savings from rationalising or decommissioning legacy IT.	2,721	17
Integration and interoperability gains	Time savings from systems working together and easier access to information across departments or organisations.	2,527	16
Wider public value benefits	Broader outcomes such as reduced burden on social care system, or improved staff wellbeing.	410	3
Service efficiency gains	Time savings for frontline staff due to improved digital service design and delivery.	333	2

LocalGov Drupal project VfM

LocalGov Drupal is an open-source content management system (CMS) tailored specifically for local government use. Developed on the Drupal platform, it enables councils to collaborate on digital infrastructure, reducing duplication and reliance on proprietary CMS solutions. The project is managed by Open Digital Cooperative Ltd, a council-owned cooperative funded through voluntary contributions.

Adoption. 51 councils have adopted the platform (42 fully implemented; 9 in progress as of September 2024). Additionally, seven non-council public sector organisations have implemented LocalGov Drupal.

Costs. The total estimated cost over 7.5 years is £4.05 million. This includes all development, maintenance, and governance activities. Annual costs are expected to decrease over time as implementation costs are spread across more users and years.

Benefits. Estimated benefits over the same period are £2.32 million based on the cost savings achieved by councils moving from proprietary CMS platforms to LocalGov Drupal. This figure also incorporates the value of voluntary financial contributions made by councils to the cooperative, which serve as a proxy for revealed willingness to pay and indicate perceived value of the LocalGov Drupal solution. The analysis assumes:

- Stable pricing across alternative CMS providers.
- Continued platform use, with minimal attrition.
- Adoption trends following Rogers’ Diffusion of Innovation model (Rogers, 2003).

Additionality. Estimated at 95%, indicating the project would almost certainly not have been delivered at this scale or speed without central government funding. Participating councils that were interviewed indicated that they would not have been able to adopt LocalGov Drupal without the guidance, support and community funded by the programme. There would have been no incentive for any council or external actor to provide this guidance, support and community without funding from MHCLG.

VfM assessment. While the monetised benefits of the programme fall short of total costs over the 7.5-year appraisal period, sensitivity analysis is required to reflect uncertainty around adoption trends. This includes a pessimistic, expected (neutral), and optimistic scenario, as shown in Table 4.13.

Table 4.13. BCRs for the Local Digital Fund by scenario and appraisal period.

	Pessimistic	Expected (Neutral)	Optimistic
5 years	0.05	0.25	0.48
7.5 years	0.29	0.57	1.00
10 years	0.42	0.75	1.29

The BCR scenarios are differentiated by varying adoption rates of the tool, modelled using Rogers’ diffusion of innovation curve. In the neutral scenario, Drupal membership grows from 45 in 2024 to 95 in 2033; in the optimistic scenario, faster adoption leads to 127 members, while slower adoption in the pessimistic scenario results in 67 members. The optimistic and pessimistic cases reflect steeper or flatter slopes of the diffusion curve relative to the neutral path. To generate these curves, we changed how quickly adoption accelerates, doubling the rate in the optimistic case and halving it in the pessimistic one. Higher and lower final membership levels were also set to reflect different assumptions about how widely the tool might eventually be adopted.

As expected for digital transformation projects, BCRs increase over longer appraisal periods. This is consistent with the Green Book guidance, which notes that benefits from transformational change may take over 10 years to fully materialise (HM Treasury, 2022). In addition to monetised benefits, the project has delivered several non-monetised benefits. These include:

- A collaborative governance model fostering cross-council engagement.
- Cost savings from in-sourcing software updates.
- Cost savings from reusing other available Drupal tools (e.g. forms) and decommissioning legacy systems.

- Higher resident and staff satisfaction due to improved CMS usability and accessibility.
- Access to free peer support through networks like the LocalGov Drupal Slack community.

These non-monetised benefits strengthen the overall case for value for money, even where the BCR is below 1 in the early years.

1.13.12. To account for uncertainty around the durability of project outputs, we modelled benefits and ongoing costs over three-time horizons: 5, 7.5, and 10 years. The 7.5-year scenario was adopted as the central case. Most projects were designed to work with existing software systems, making average contract durations an indicator of the durability of benefits. A 5-year period reflects the average duration of digital systems contracts (see Section 7 in the Appendix), but this may underestimate benefit duration given the limited supplier market and prevalence of vendor lock-in, which constrain councils' ability to switch platforms.

Table 4.14. Local Digital Fund BCR accounting for monetised benefits.

Data	10-year projection	7.5-year projection	5-year projection
Costs (£m)	36.9	35.4	33.6
Benefits (£m)	21.7	16.0	10.7
BCR	0.59	0.45	0.32
VfM category	Poor	Poor	Poor
Switching value (£m)	15.2	19.3	22.9

1.13.13. While the 10-year horizon aligns with the Green Book's standard appraisal period and some longer-term contracts, the 7.5-year timeframe offers a balanced assumption. It captures both the likely lifespan of digital assets and the continued benefits from broader transformational changes - such as the digitisation of manual processes - which can persist beyond the lifecycle of specific technologies.

1.13.14. Based on all costs and monetised benefits over a 7.5-year period, the BCR is 0.45, which gives a 'Poor' VfM rating as per MHCLG appraisal guidance (MHCLG, 2025). An additional £19.3 million in benefits would be needed to move the VfM from 'Poor' to 'Acceptable'.

Non-monetised benefits and costs

1.13.15. In addition to monetised impacts from the 12 projects with available data, the evaluation considered other non-monetised LDF benefits. This includes assessing whether these benefits could significantly shift the BCR into a higher VfM category, specifically whether their value could reach the £19.3 million needed. The following types of non-monetised benefits were used, based on MHCLG's guidance on non-monetised impacts (MHCLG, 2023a).

- 1.13.16. **Benefits of discovery findings, guidance, and prototypes (30 projects):** Includes benefits of potentially reusable outputs such as reports, toolkits, and prototype code. However, evidence from the Impact Evaluation indicated limited uptake or reuse across the sector. Their contribution is therefore assessed as 'Slight Beneficial' and unlikely to materially affect the overall BCR.
- 1.13.17. **Benefits of developed and in-development outputs (14 projects):** These include five with live tools, two with decommissioned tools, and seven still in development. Proxy BCRs were applied using the lowest (0.03), highest (2.94), and average (0.87) values observed across monetised projects. This is because a similar BCR range is expected, given the similar nature of the projects. Only the highest scenario would materially affect programme VfM and is considered unlikely. The average case suggests a moderate contribution (~£9m), leading to a classification of 'Moderate Beneficial'.
- 1.13.18. **Benefits of capability-building of council staff through project delivery:** The Impact Evaluation identified upskilling council staff on digital delivery and Agile methodologies as a key benefit. However, benefits were often contained within delivery teams, limiting broader organisational transformation. As such, this is assessed as 'Slight Beneficial'.
- 1.13.19. It is important to acknowledge that some benefits remain unquantified due to data gaps. These include potential benefits from collaboration, as highlighted in the Impact Evaluation (e.g., shared recruitment efforts), and other benefits resulting from the deployment of outputs (e.g., improvements in service quality).
- 1.13.20. In addition to non-monetised benefits, the workstream also incurred non-monetised costs. Maintenance costs for solutions developed through the Local Digital Fund are substantial. Data is available for only five of the twelve projects included in the BCR analysis, but these already account for approximately £3 million in ongoing costs. While variations between projects prevent reliable extrapolation, it is reasonable to assume that maintenance costs for the remaining projects are also significant. Using the MHCLG appraisal guide, the potential impact of these costs on the BCR is rated as 'Moderate Adverse', as they could represent a notable disbenefit (MHCLG, 2025).

VfM Discussion

- 1.13.21. The VfM assessment in Table 4.15. considers both monetised and non-monetised benefits.

Table 4.15. Overview of Local Digital Fund VfM.

VfM evaluation	
Total costs (£m)	35.4
Monetised project benefits (£m)	16.0
BCR	0.45
VfM category	Poor
Switching value to next category (Acceptable) (£m)	19.3
Benefits of discovery findings, guidance, and prototypes	Slight beneficial
Benefits of developed and in-development outputs	Moderate beneficial
Benefits of capability-building of council staff through project delivery	Slight beneficial
Non-monetised project output maintenance costs	Moderate adverse
Likely category	Poor

1.13.22. The Local Digital Fund is currently assessed as offering ‘Poor’ Value for Money, based on available data and despite consideration of non-monetised benefits, which lack sufficient evidence to improve this rating. The Fund’s delivery model relied on the assumption that funding individual council projects would lead to sector-wide scaling, but the Impact Evaluation found this was overly optimistic, limiting the realisation of expected benefits. The analysis applied a conservative approach, including high optimism bias adjustments to benefits. With several projects still under development, a longer-term evaluation may reveal additional impacts, potentially supporting an improved VfM classification to ‘Acceptable’ in the future.

1.13.23. It is worth noting the methodological constraints impacting confidence in these overall findings, many of which are discussed above. Of the 19 projects with implemented outputs, only 12 reported impact data, with some of those including estimated figures. However, given the available data on the number of projects in live use, and the number that have scaled, it is possible to draw accurate VfM conclusions about the workstream’s overall effectiveness. This can be supported by the granular detail collected relating to the wider local council software market, showing no change.

1.14. Research questions discussion

Process: How efficiently was the intervention delivered, and what factors influenced its implementation across different councils?

1.14.1. The Local Digital Fund was delivered broadly effectively, without significant disruption and delay. There were some instances (for example, in Round 6) where there were

delays in procurement or implementation timeframes, but these rarely had a significant impact. The level of funding for projects was generally proportionate to the stage and complexity of the project lifecycle. All interviewed councils reported that the funding provided by MHCLG was enough to cover procurement and recruitment project activities.

- 1.14.2. However, projects were often not scaled beyond the initial funding provided by MHCLG. This lack of scalability was both a function of the type of projects being funded (projects that cannot be easily scaled to other councils without significant resource investment), and the lack of formal structures to identify, and deliver on scaling opportunities during projects.

Process: To what extent did the process build collaboration, leadership, and capability? To what extent did it address economic growth challenges?

- 1.14.3. Councils reported that the opportunity to work with other local authorities was one of the greatest benefits of the Fund. However, some councils highlighted challenges with joint project delivery, particularly the reliance on individuals rather than organisations to sustain collaboration. This means there are few examples of long-term collaboration between councils. Likewise, while the Fund provided opportunities for individual staff members to increase their digital skills (especially Agile delivery skills), it did not drive large-scale culture or capacity change across the sector.

- 1.14.4. The Fund addressed challenges that were identified as high priority for individual councils, in their applications. However, the diverse spread of funding across various project types and services – together with the testimonials of funded councils - suggest a potential lack of strategic focus.

Impact: To what extent did the intervention lead to the intended outcomes, and who was impacted? Has the intervention resulted in any unintended outcomes?

- 1.14.5. Of the five intended outcome areas for the Local Digital Fund, three were achieved to a 'Medium' extent, and two were achieved to a 'Low' extent. This reflects the conclusion that the Fund did not conclusively achieve its intended outcomes. Most projects failed to scale to long-term services, or beyond the immediate recipient councils. And there has not been a notable change in the levels of competition in the local council software market.

- 1.14.6. One notable unintended impact achieved by the Fund is that it has helped to build improved relationships between central government and local councils. It was identified as an important mechanism for building trust, in a context where there were few channels of engagement for councils.

Impact: How much of the observed change can be attributed to the intervention, and what other factors influenced the outcomes?

- 1.14.7. Most of the new products and services developed can be attributed directly to the Fund, and the programme more broadly. Without the Fund, projects would have faced delays in approval, and teams would have struggled to make the case for applying digital delivery and Agile best practices due to limited resources and organisational buy-in. Where projects were scaled - including LocalGov Drupal - this would not have been possible without the funding and the central government support. For wider changes in culture, skills and leadership, it is more difficult to directly attribute any changes to the Fund, usually because these areas were only supported informally.
- 1.14.8. Many other factors impacted councils' digital products, services and maturity in this time. This includes COVID-19, changing policy or governmental initiatives, or software market changes.

VfM: What are the benefits and costs of the intervention? Do the benefits outweigh the costs?

- 1.14.9. The total monetised benefits of the Fund (£16.7m) do not outweigh its costs (£35.7m). This gives the Fund a Poor VfM category, based on monetisable benefits. Given the treatment and discussion of non-monetisable benefits, it is likely that the Fund's VfM category would be Poor.

Lessons learned

- 1.14.10. **Funding across council types:** Participating councils tended to have higher core spending power than the sector average. These findings suggest the need for greater consideration of the types of councils that apply for available funding, and the potential implications for intended outcomes.
- 1.14.11. **Tackling local government software system inefficiencies:** The Fund supported smaller-scale components rather than full-system reform, limiting its ability to influence the wider software market. Future initiatives with a similar aim should consider supporting funding of system-wide solutions.
- 1.14.12. **Scaling and long-term maintenance of funded outputs:** Many projects lacked clear plans or resources for long-term ownership, with councils often unwilling to assume ongoing responsibilities. Future initiatives should - from the outset - plan and identify necessary resources for ongoing maintenance of funded outputs.
- 1.14.13. **Scaling of open-source digital solutions:** Despite expectations, only 11% of open-source solutions scaled, with many councils deterred by the skills and costs required to implement them. Future interventions should consider what additional support is required for councils to fully realise the benefits of open-source.

1.14.14. **Measuring the impact of digital projects:** A lack of consistent benefits tracking across projects limited the ability to assess effectiveness. Establishing effective monitoring and evaluation approaches – based on intervention Theories of Change - would enable data collection for a more accurate assessment of impact and ensure transparent communication of the Fund's effectiveness. This would also support evidence-based decision-making for future interventions and ongoing improvements.

2. Future Councils

Summary of workstream

Through Future Councils, eight councils were awarded a direct grant of £750k each to address common barriers to digital transformation across the sector. Alongside receiving grant funding, councils participated in research workshops to explore common challenges. By supporting participating councils, the workstream also aimed to generate replicable guidance, assets and tools that could support the entire sector.

Process Evaluation: The workstream experienced delivery delays, with most councils failing to make concrete progress on new products, services and initiatives at the time of the evaluation. Councils reported that the opportunity to collaborate was a benefit, though direct joint working opportunities remained limited. However, structured joint working proved difficult due to varying digital maturities and differing project pathways among participants. Finally, while Future Councils successfully identified sector-wide challenges and priorities, the work undertaken to solve them and build council capacity has not successfully scaled beyond funded councils.

Impact Evaluation: Of the four intended outcomes of Future Councils, three were achieved to a Low extent, and one Medium. Taken together, the intervention has therefore failed to significantly achieve its intended outcomes. The outcome area where there has been the largest observed change is in the design and implementation of new policies to support the sector, with the Local Digital team directly building on the intervention to shape future policy decisions. However, Future Councils aimed to develop scalable, replicable solutions to common council challenges, which has not occurred.

Value for Money Evaluation: Councils submitted limited data, which prevented a full VfM assessment. In most cases, projects were still in early stages of deployment, meaning that outcome data was not yet available. For one council where sufficient data was available, early evidence suggests the potential for positive VfM at the local level in the long-term.

- 2.0.1. This chapter presents the key Process, Impact, and Value for Money evaluation findings for Future Council.
- 2.0.2. The Future Councils workstream aimed to support local authorities in becoming more modern and resilient by adopting digital practices and strengthening cyber security. It also sought to address common, system-wide barriers to digital and cyber progress with the potential for sector-wide scaling.
- 2.0.3. A pilot phase commenced in April 2023, awarding grants to eight councils to explore solutions to identified digital and cyber challenges. Originally set to conclude in November 2023, the pilot extended to March 2024. As part of the pilot, selected councils addressed three common challenges Local Digital identified through its engagement with councils across England:
 - How to influence organisation-wide factors (internal processes, leadership, governance) to unblock change.

- How to implement digital and cyber improvements across the entire organisation, not just within specific teams.
- How to reform critical, high-risk services.

- 2.0.4. As part of Future Councils, selected councils completed the Cyber Assessment Framework (CAF) self-assessment, effectively making it the second CAF pilot. However, digital and cyber activities within the workstream were delivered separately by different Local Digital staff and delivery partners, so this chapter focuses on digital aspects, while the CAF elements are in the dedicated CAF chapter.
- 2.0.5. The workstream's Theory of Change appears in Section 2 of the Appendix. This chapter presents findings from the Impact, Process, and VfM evaluations for Future Councils, covering the pilot delivery period between April 2023 and March 2024. Evaluation data was gathered from April 2023 to March 2025.
- 2.0.6. Following the pilot's conclusion, the Local Digital team decided not to continue the intervention beyond November 2023. This decision was informed by the pilot's findings, discussed in this chapter, and preliminary evaluation results.

2.1. Process Evaluation

- 2.1.1. This section summarises the main findings from the Future Councils Process Evaluation. Findings are grouped into three themes: (1) application and selection process, (2) delivery and execution of workstream activities, and (3) collaboration.

Application and selection process

Funding distribution across councils

- 2.1.2. Out of 264 eligible councils (those that signed the Local Digital Declaration), 67 applied to join the Future Councils pilot cohort. Similar to the Local Digital Fund, higher core spending power significantly increased a council's likelihood of applying, even after controlling for region or council type. Applicants, on average, had 43% higher core spending power per capita than eligible non-applicants, and 65% more spending power per person than all non-applicants.
- 2.1.3. After the application phase, 12 councils were shortlisted. Of the 12 shortlisted councils, 8 were selected for the Future Councils pilot. Two key observations from the council type analysis (see Section 9 in the Appendix) are the absence of councils from the North West and Yorkshire and the Humber, and the underrepresentation of District and Metropolitan District Councils. While the small sample size limits firm conclusions, the process may have favoured larger councils and those in London and the South East - reflecting potential challenges in both attracting and selecting a geographically and structurally diverse cohort.

Application and selection process

- 2.1.4. Interviews with four out of the eight participating Future Councils suggest that the initial rationale for the workstream, as a funding route addressing cross-cutting digital challenges, resonated with participating councils. Councils reported attraction to tackling more 'strategic' digital issues rather than focusing on developing specific applications.

"Future Councils seem to be different because it was more strategic, more cultural, more skills based rather than just we've got some money for you to develop an application (...) that was what triggered our interest in Future Councils."

- Representative from Future Councils funded council

- 2.1.5. Three out of the four councils interviewed noted that they already had strategic work underway which aligned with the workstream's objectives. This often streamlined their application process.

"It was fortuitous for us (...) I had just created a paper that outlined the challenges we had from an ICT perspective in supporting the council's digital transformation objectives (...) that was all documented in a report (...) our application almost wrote itself."

- Representative from Future Councils funded council

"Here was something where there was an absolute alignment between what the program was looking at and what we were seeking to do. That meant that applying was a straightforward process, particularly because of that alignment."

- Representative from Future Councils funded council

- 2.1.6. While based on a small sample, feedback suggests councils saw Future Councils as a more strategic and supportive offer, focused on leadership and capability. It particularly appealed to those already advancing in digital transformation, highlighting both demand for wider support and the need to engage a broader range of councils.

Delivery and execution of workstream activities

- 2.1.7. The Future Councils workstream broadly followed seven steps, after the successful application and onboarding of selected councils:

1. Councils received £750,000 (nominal) funding to use in a holistic way across the council.
2. Councils participated in an initial workshop on common digital blockers and enablers.
3. Councils were provided support to pursue an exemplar digital project, which put the learning from Future Councils into practice.
4. MHCLG mapped organisational challenges across the cohort of councils.
5. MHCLG worked with the cohort of councils to validate, prioritise and refine list of challenges, and map pathways for solutions, via roundtable discussions.
6. MHCLG captured insights from the workstream in a Pilot Report, which was published externally, in March 2024.

7. Councils were also supported to apply the Cyber Assessment Framework.
- 2.1.8. These different activities are discussed as part of our evaluation of the Future Councils workstream, clustering our analysis into thematic areas.

Funding allocation and flexibility

- 2.1.9. The flexibility provided to participating councils was a unique feature and core to the Future Councils Theory of Change, differing from other MHCLG funding. There was strong support for this flexible approach in our interviews.

“The management of the money and I say the way it's been done for this; I think is brilliant and, and a really, really unusual and innovative way of doing it.”

- Representative from Future Councils funded council

- 2.1.10. However, this flexibility also created a lack of clarity and direction for some councils. While councils acknowledged the benefits of devolved responsibility, a risk existed that they lacked sufficient guidance to maximise funding benefits, exacerbated by a reported lack of concrete direction at certain points.

“But the downside of that is I expected to get a lot more direction and solutions.”

- Representative from Future Councils funded council

Delivery and timeframes

- 2.1.11. The workstream experienced delivery delays, running from April 2023 to March 2024 (original target November 2023). Future Councils primarily had two delivery phases: an initial MHCLG-led phase and a second phase led by a digital delivery partner. Interviewees consistently noted a slow start in the first phase, with a faster, more formal structure in the second. The digital delivery partner helped establish a more formal programme management structure, which councils agreed brought greater clarity and focus.

“There was a clarity wasn't there, with the [delivery partner] work? Whereas [before they joined] we never had the clarity as to what that work was.”

- Representative from Future Councils funded council

- 2.1.12. This slower start delayed councils' ability to achieve impact before March 2024. Some felt a consistent programmatic approach throughout would have yielded greater benefits.

Use of workshops and other delivery models

- 2.1.13. A principal feature of the second phase of Future Councils was the use of workshops, and other design thinking approaches to help councils to identify and solve cross-cutting challenges. Although half of the interviewed councils found that these sessions helped to

create a feeling of clarity and programmatic structure, the other half noted they could be overly burdensome, and not always directly added value to the councils' efforts.

"I progressively reduced the involvement of my team in workshops because I didn't think it was a good use of their time."

- Representative from Future Councils funded council

- 2.1.14. This may partly stem from many councils' unfamiliarity with user-centred design or Discovery approaches. Some councils, however, found access to workshops and user-centred design skills useful and a positive programme aspect. These methods seemed most beneficial for councils interested in Discovery approaches but lacking internal capacity.

"We're one of the councils who were really excited and interested in service design, but we don't have strong internal capability (...) we were able to make use of, shadow, and learn from some heavyweight service designers, and get some really practical coaching."

- Representative from Future Councils funded council

- 2.1.15. However, all councils interviewed (4/8) generally found communication with MHCLG and partners clear and effective.

Collaboration

- 2.1.16. Future Councils aimed to drive collaborative approaches to solve cross-council challenges, recognising that many problems councils face are systemic. Councils supported this aim.

"Somebody would describe their challenge and, hang on a moment, that's exactly what we're facing. And then someone else would put their hand up and say: 'yeah, we've got that as well'."

- Representative from Future Councils funded council

- 2.1.17. Councils reported that the opportunity to collaborate was a benefit, though direct joint working opportunities remained limited. Some councils were introduced to new digital practices and resources, such as a cross-sector Slack channel and findings from other councils' projects. Despite these benefits, structured joint working proved difficult due to varying digital maturities and differing project pathways among participants.

"We had some great group meetings where people shared things, and we would make notes to follow up with one another. And then it wouldn't happen (...) generally we found that we were in places that were too different to add direct value to one another."

- Representative from Future Councils funded council

- 2.1.18. Additionally, some felt MHCLG could have done more to proactively identify and facilitate joint working opportunities.

“It would have been nice if we got some direction from Future Councils and some help in identifying other councils (...) that were having similar challenges.”

- Representative from Future Councils funded council

- 2.1.19. The extent to which the workstream led to collaboration across participating councils is further discussed in the Impact Evaluation.

2.2. Impact Evaluation

- 2.2.1. This section presents the findings from the Impact Evaluation of Future Councils. Outcomes from the Theory of Change were grouped into four outcome areas based on common themes, summarising the Impact Evaluation for each area and indicating the degree to which outcomes have been realised.

Outcome area 1. Implementation and impact of recommendations to address digital and cyber challenges across pilot councils

- 2.2.2. In the short term, participant councils were expected to invest in projects that would help them tackle existing barriers to digital and cyber transformation, leading to time and cost savings, and improved outcomes for staff and residents.

Evaluation findings

- 2.2.3. Evidence from Future Councils shows that all participating councils have allocated the funding provided on digital and cyber activities. Councils have used the Future Councils funding for a range of activities, as detailed in Table 5.1. The data, provided by councils in March 2024, indicates that 88% of the total funding had been budgeted, though only 38% had been spent by that time. This indicates that many activities were still in the early stages of implementation.

Table 5.1. Council allocation of Future Councils funding across digital and cyber activities.

Activity areas	Description	Amount budgeted (£k)	Amount spent (as of March 2024) (£k)
User experience of digital services	Optimising existing user journeys through dedicated projects and recruitment of specialised staff.	1,992.5	643.5
Systems and software	Development and/or implementation of new software systems.	1,479.3	490.2
Cyber security	CAF assessment and remediation activities	1,230.4	576.8
Staff skills	Digital skills assessment and training activities	393.9	139.0
Organisational and cultural barriers	Development of new policies and processes for effective digital transformation	139.4	95.7
Other	Administrative costs, including attending and managing Future Councils activities	83.7	83.7
Total		5,319.1	2,029.8

Explanatory note of Table 5.1. As of March 2024, only 38% of the funding in this table was spent by councils. The remaining amount is based on the forecasts shared by councils based on their plans at the time of reporting, meaning that changes might have occurred since. Note that percentages in the table may not total 100% due to rounding.

2.2.4. Councils overall allocated approximately 80% of the budgeted funding to digital activities and just over 20% to cyber activities. The largest portion of digital funding went to improving the ‘User experience of digital services,’ with many councils investing in user research projects to improve existing digital service journeys.

2.2.5. Digital activities, as identified in Table 5.1, have been divided into two groups: (1) projects aimed at improving specific service area delivery or existing systems, and (2) projects focused on enhancing broader digital transformation within the council (e.g., staff training, new hires, process development). Table 5.2 illustrates this breakdown.

Table 5.2. Breakdown of Future Councils funding by activity type (excluding cyber).

Project areas	Amount (£k)	As a percentage of total (%)
Targeted digital interventions	2,684.8	66
Broader digital transformation	1,403.9	34

2.2.6. This categorisation helps identify the expected impact from Future Councils projects. Targeted digital interventions primarily aimed to enhance existing processes and services, potentially resulting in productivity gains and improved staff and resident

satisfaction. For instance, one council used Future Councils funding to trial Microsoft Copilot licences in adult social care, which reportedly led to time savings and benefits for staff wellbeing.

- 2.2.7. On the other hand, the benefits of projects aimed at broader digital transformation are likely to be more extensive and varied. For instance, recruiting digital staff for user research projects might improve individual project outcomes, but also contribute to building overall user research capabilities within the organisation. Similarly, improving information governance processes may lead to better data quality and greater visibility. This could enable new data-driven use cases to improve service delivery, leading to improved resident satisfaction.
- 2.2.8. Only one participating council provided an estimate of its funded activities' impact. This council replaced five systems using a low-code platform, generating direct system savings, and invested in additional digital capabilities expected to yield long-term benefits. Although based on a single council, the findings suggest that individual councils may realise long-term benefits from their project activities.
- 2.2.9. Assessing additionality for this outcome area proves challenging due to reliance on anecdotal evidence from interviews with four participating councils. While some projects, such as Microsoft Copilot deployments, have also been implemented independently in other councils, raising questions about the Fund's unique contribution, interviewed councils indicated that the intervention's funding enabled them to overcome internal barriers to approval, thereby accelerating project timelines.

Analysis of findings

- 2.2.10. **Achievement score:** Low. While evidence indicates that participating councils have used the funding to support digital and cyber initiatives, there is currently no evidence to demonstrate specific benefits across councils (aside from one council).
- 2.2.11. **Confidence score:** Low. All eight participating councils reported data on their budgeted and spent funding. However, this information dates from March 2024, with only one council providing an update since. Information was requested from participating councils, but not provided, suggesting that up-to-date information may not have been available within the council. At that point, only 38% of the funding had been spent, suggesting that further changes may have occurred. Additionally, only half of the councils (four out of eight) have participated in semi-structured interviews.

Outcome area 2. Adoption of replicable pathways to unlock digital and cyber change across the sector

- 2.2.12. In the intermediate term, the purpose of the intervention was to identify effective and replicable approaches for tackling digital and cyber transformation challenges. In the

long term, these approaches were expected to be replicated by councils across the sector.

Evaluation findings

- 2.2.13. Future Councils set out to identify ‘replicable pathways’ for addressing shared digital challenges across local government. As detailed in the Process Evaluation, the Future Councils intervention underwent several changes in defining the activities to accompany the funding.
- 2.2.14. Initially, no specific activities were planned that would lead to the identification and adoption of ‘replicable pathways’ to digital transformation across the sector. Following council feedback, a delivery partner was contracted two months into the pilot to design and implement activities. One of the activities involved conducting experiments with individual councils to address systemic digital challenges, including discoveries into new ways of designing services, new ways of delivering underlying processes (such as public procurement or information governance), or new applications of technology, especially AI. These experiments were expected to contribute to the identification of ‘replicable pathways’.
- 2.2.15. However, tight timelines (around four months), internal approval delays, and limited leadership engagement hindered these experiments. Initially, these experiments primarily served to gather evidence on systemic digital challenges common across all councils. However, interviews with four of the eight councils suggest collaboration has since stalled, with councils now focusing on their own projects. Without further support, the sharing and scaling of potential ‘replicable pathways’ appears unlikely.

“I think probably each of the councils has been focused on delivering its own plans and the stuff with the eight problems areas that were identified. (...) So I am kind of waiting to see how we might work collectively as a sector on that?”

- Unitary Authority, Head of Digital Strategy and Design

- 2.2.16. While individual council activities may generate useful outputs, their origins in pre-existing plans - rather than sector-wide intent - raise doubts about scalability. Some Future Councils participants reported sharing digital best practices through workstream activities, which they found highly valuable. However, maintaining this level of collaboration beyond the programme was reported challenging due to ongoing capacity constraints.

Analysis of findings

- 2.2.17. **Achievement score:** Low. While individual council activities may generate useful outputs, there is no evidence that these have been replicated or scaled across cohort councils or the sector.

- 2.2.18. **Confidence score:** Medium to High. Confidence in this assessment is medium for participating councils (due to partial interview coverage, with 4/8 councils engaged), and high for the wider sector, where replication appears improbable.

Outcome area 3. Development and implementation of policies to tackle systemic digital challenges

- 2.2.19. Evidence generated from council projects was expected to inform central government and other local government sector organisations in developing effective policies and programmes to support councils in tackling identified digital and cyber challenges across the sector.

Evaluation findings

- 2.2.20. Beyond providing funding, the initial version of the pilot lacked a clear strategy for achieving this. As discussed with regards to Outcome area 2, the intervention eventually pivoted, turning the pilot into a Discovery exercise to gather evidence of systemic challenges.
- 2.2.21. Local Digital staff involved in delivering the Future Councils intervention reported that the key takeaway from the workstream was the understanding that certain systemic barriers cannot be addressed by councils alone and require central government support.

“It’s changed the language that I use (...) in terms of the common challenges that councils can fix themselves and talking about systemic challenges (...) we’re now acknowledging that the councils have very little influence over (...). It makes me feel far clearer about which areas that we as [central] government should be leaning in on and the rationale behind why or how far we should go.”

- Local Digital delivery staff member

- 2.2.22. These systemic barriers included issues such as inefficiencies in the current local government software market, and the difficulties in securing leadership buy-in for digital projects, particularly given budget constraints (MHCLG Digital, 2024). Local Digital staff acknowledged that these challenges were already known but believed that the work carried out through Future Councils has provided the evidence necessary to officially recognise them.

“I think the value is probably the depth of the research and the high level of synthesis (...) I don’t think it is anything new, it’s just based on fact rather than assumption.”

- Local Digital delivery staff

- 2.2.23. Without this evidence, they believed they would have continued to support smaller-scale interventions, potentially insufficient for achieving large-scale sector digital transformation.

- 2.2.24. Since Future Councils, the Local Digital team have taken a series of steps to address the identified challenges. This includes leading a series of Discovery projects around data standards and legacy technology. Local Digital is also supporting the scaling of existing data standards projects - SAVVI and Open Referral UK - funded through the Local Digital Fund (Local Digital, 2024).
- 2.2.25. Assessing additionality for this outcome area proves challenging given the overlap with other influences on Local Digital's decision-making process. These other influences include findings from the preliminary evaluation of the Local Digital Fund, which were shared concurrently with the pilot, and insights provided by delivery partners. Crucially, many of the underlying problems were already well known to the team. While the Future Councils initiative helped reinforce and accelerate this shift, similar changes may have occurred regardless. As a result, additionality for this outcome area was rated as Medium to Low.

Analysis of findings

- 2.2.26. **Achievement score:** Medium. Local Digital has indicated that the insights gathered have significantly influenced its reconsideration of its role in supporting local government digital transformation, resulting in a high level of achievement for using pilot findings to inform future policy design. However, as concrete interventions have yet to be designed, the overall outcome score is Medium.
- 2.2.27. **Confidence score:** Medium to High. Evidence has been directly reported by the Local Digital leadership team regarding how Future Councils has informed their digital support offer.

Outcome area 4. Improvement in overall digital and cyber maturity across the sector

- 2.2.28. All intervention activities were expected to eventually lead to overall improvements in digital and cyber maturity across participant councils - in the short term - and across all councils in the long term.

Evaluation findings

- 2.2.29. The Future Councils intervention aimed to support all councils - starting with pilot councils - to become 'modern and resilient organisations' (MHCLG Digital, 2022). This included the adoption of best practices in digital project delivery, technology procurement, software application management, and data sharing approaches.
- 2.2.30. As discussed in Outcome area 1, as of March 2024 only 34% of non-cyber funding had been allocated by councils towards improving existing processes related to digital transformation. Some councils have also reported investing in hiring digital staff or upskilling current staff in digital capabilities. While these activities have the potential to

help participant councils become 'modern and resilient' organisations, there is no evidence that would demonstrate this impact. This is largely because most activities were ongoing at the time of the evaluation, as councils had to navigate lengthy internal approval and planning processes before starting the projects. Additionally, expected cultural changes often take longer to manifest measurable results, making them challenging to quantify.

Analysis of findings

- 2.2.31. **Achievement score:** Low. While there has been investment in areas with the potential to improve digital and cyber maturity - such as hiring digital and cyber staff - there is currently no clear evidence that Future Councils activities have resulted in significant changes to overall digital or cyber maturity among participant or non-participant councils.
- 2.2.32. **Confidence score:** Low. The timing of the intervention makes it unlikely that this outcome would be fully observable within the evaluation period. In addition, only 4 of the 8 councils were interviewed, and these interviews took place before many longer-term effects could emerge.

Unintended outcomes

- 2.2.33. The following two unintended outcomes have been associated with the intervention:
- **Links established between Local Digital and other government departments' teams:** The Future Councils report on systemic challenges has prompted increased collaboration between Local Digital and various central government departments working in the digital and data sector. This might lead to future joint interventions or initiatives that can more effectively tackle systemic challenges in the sector.
 - **Reframed Local Digital's role:** The intervention has contributed to Local Digital to reassess its approach to digital support. Consequently, Local Digital is in the process of shifting towards providing more strategic and evidence-based support, focusing on addressing systemic issues across the sector.

Impact Evaluation discussion

- 2.2.34. Table 5.3. provides a summary of the extent outcomes have been achieved, along with confidence levels based on the available evidence.

Table 5.3. Overview of Future Councils outcomes.

Area	Evidence summary	Achieved	Confidence
Outcome area 1. Implementation and impact of projects to address digital and cyber challenges across pilot councils.	As of March 2024, councils had budgeted 88% of the total funding, but only 38% had been spent. Only 1 out of the 8 participant councils has reported estimated benefits associated with funded activities.	Low	Low
Outcome area 2. Adoption of replicable pathways to unlock digital and cyber change across the sector.	Interviews with 4/8 councils suggest that despite valuable knowledge sharing during workstream activities, this collaboration has not been maintained outside of the programme. No evidence exists of workstream activities being replicated across the sector.	Low	Medium to High
Outcome area 3. Development and implementation of policies to tackle systemic digital and cyber challenges.	Local Digital created a Research & Discovery and a Data Standards workstream to focus on providing centralised support as a result of the workstream. However, associated interventions are still in early stages of development.	Medium	Medium to High
Outcome area 4. Improvement in overall digital and cyber maturity across the sector.	While councils reported in March 2024 budgeted or spent funding in areas with the potential to improve digital and cyber maturity - such as hiring digital and cyber staff - there is currently no clear evidence that Future Councils activities have resulted in significant changes to overall digital or cyber maturity among participant and non-participant councils.	Low	Low

Theory of Change discussion

- 2.2.35. The Impact Evaluation identified two key areas where assumptions within the Future Councils Theory of Change did not fully hold, limiting the achievement of intended outcomes.
- 2.2.36. **Timelines for effective council change:** It was assumed that councils could implement meaningful solutions within the six-month pilot period, providing evidence of replicable approaches to digital and cyber challenges. In practice, internal governance and decision-making processes within most councils led to significant delays - often taking over a year to begin implementation. This suggests that the rapid deployment model underpinning the pilot was not compatible with the realities of council structures.
- 2.2.37. **Collaboration and replicability of solutions:** It was expected that councils would develop and adopt shared approaches through collaboration, leading to the sector-wide uptake of replicable pathways. While participating councils engaged in joint activities, there was no evidence that approaches trialled in one council were replicated by others. The limited timeline may have restricted opportunities for sharing, but more

fundamentally, the evaluation found that in the absence of third-party coordination, existing council structures and culture did not lead to collaboration.

2.3. Value for Money

- 2.3.1. This section presents the VfM evaluation of the Future Councils workstream across economy, efficiency, and effectiveness.

Economy and efficiency

- 2.3.2. The VfM assessment considers the economy, efficiency, and effectiveness of the Future Councils workstream. Of the original £43.7m budget, only ~20% was spent, reflecting a deliberate pivot by the Local Digital team toward research, development, and data standards. While this adaptation aligns with evolving programme priorities, it also highlights early weaknesses in intervention planning and a lack of clarity on delivery objectives. These factors limited the workstream’s ability to deliver intended outcomes efficiently. Consultancy spending (£2.5m) arose primarily in response to initial delivery gaps rather than as a pre-planned input. While it later provided value - particularly by shaping strategic direction - its justification under economy and efficiency is weak.

Effectiveness

- 2.3.3. To evaluate the effectiveness of Future Councils a cost-benefit analysis considered all the costs and benefits associated with the intervention

Costs

- 2.3.4. Table 5.4. outlines all cost information gathered from the Future Councils workstream.

Table 5.4. Overview of Future Councils costs (real).

Cost types	Incurred by	Total (£m)
Grants	MHCLG	6.5
Consultancy costs	MHCLG	2.5
Staff costs	MHCLG	0.4
Unfunded council costs from delivering and participating in workstream activities	Councils	Non-monetised
Total	MHCLG and Councils	9.4

Benefits

- 2.3.5. Due to limited impact data - most projects began in March 2024 - it is not currently possible to produce a reliable programme-wide BCR for Future Councils. Only one of eight pilot councils submitted sufficient data for indicative VfM analysis. However, as

councils had significant flexibility in how they allocated funding, it is not possible to extrapolate findings from this specific case study to the remaining seven councils.

- 2.3.6. This council implemented five low-code platforms (using LocalGov Drupal, and Netcall Liberty) aimed at improving service efficiency. Two benefit scenarios were modelled: a conservative estimate based on current developments, and a higher one factoring in future system replacements. Monetised benefits from these scenarios reflected licence cost savings, as low-code platforms were less expensive than the legacy systems they replaced. After applying a 20% optimism bias, BCRs were 0.82 (Poor) and 1.28 (Acceptable). However, the latter scenario assumes that costs remain constant as additional systems are replaced, which is unlikely. As a result, the BCR is likely to be overstated.
- 2.3.7. Finally, to estimate additionality, this project has been classified using the additionality levels defined for Local Digital Fund projects (see Local Digital Fund, Outcome area 1 discussion). The council reported in interviews that they had previously planned to deploy low-code platforms; however, participation in the Future Councils programme helped to accelerate that progress, and free up sufficient council time and resource to actually make this deployment a reality. Based on this, the project would fall under the Medium to High additionality level. When applying the additionality percentage associated with this level (69.5), both BCRs are lower than 1 (see Table 5.5.).

Table 5.5. Scenario analysis for FC council BCR.

Data	Estimated (based on planned activities)	Potential (based on future potential)
Costs (NPV) (£m)	1.8	1.8
Benefits (NPV) (£m)	1.9	2.9
Optimism bias adjusted (20%) (£m)	1.5	2.3
BCR	0.82	1.28
BCR (considering additionality)	0.57	0.89
VfM category	Poor	Poor

- 2.3.8. However, this analysis accounts only for licence cost savings and does to include potential additional benefits arising from process improvements, such as time savings or increased user satisfaction. The same council also invested in capability-building: Agile training for 68 staff, promotions into digital roles, and recruitment plans. Interviews suggest these activities would not have happened without Future Councils support, indicating meaningful local impact - though benefits are currently unquantified. This analysis suggests that the overall VfM for the council may be positive, although difficult to determine given the uncertainty around costs, additionality, and unquantified benefits.

VfM discussion

- 2.3.9. The Future Councils workstream aimed to support a small number of councils to address complex digital and cyber challenges, with the intention of developing replicable approaches and informing wider sector transformation. Progress against intended outcomes has been limited. As of March 2024, councils had budgeted 88% of their funding, but only 38% had been spent, and just one out of eight councils reported estimated benefits. Outcome-level findings from the impact evaluation suggest;
- Outcome 1 (project implementation and impact): Low to Medium
 - Outcome 2 (adoption of replicable approaches): Low
 - Outcome 3 (policy development): Medium
 - Outcome 4 (sector-wide digital and cyber maturity): Low
- 2.3.10. The anticipated benefits of the workstream include;
- Time and cost savings associated with digital projects (evidence limited as only one council reported benefits, but potential based on activities funded by councils).
 - Increased resident and staff satisfaction linked to improved service delivery through digital transformation (potential only based on activities funded by councils).
 - Efficiencies arising from greater standardisation and coordination in local government digital transformation efforts (potential only based on Local Digital programme new policies, not yet evidenced).
- 2.3.11. While some early examples of local-level progress exist - such as investment in legacy system replacement or information governance improvements - there is little evidence to date of wider replication, sector learning, or measurable improvement in digital maturity. Collaboration fostered during the programme has not been sustained, and most councils have not reported formalised plans to scale or share their approaches.
- 2.3.12. Although MHCLG has used insights from Future Councils to inform its ongoing policy development (e.g., the introduction of Research & Discovery and Data Standards workstreams), it is unclear whether these learnings would have emerged independently, limiting claims of additionality. At this stage, the workstream has not demonstrated strong value for money, though future benefits may emerge if central policy efforts lead to wider sector impact.
- 2.3.13. However, this VfM assessment has a high degree of uncertainty. This is because, at the time of the evaluation, most projects and initiatives were too early in their lifecycle to measure monetisable benefits. A more comprehensive VfM assessment could be conducted in the future, after sufficient time has elapsed to observe concrete benefits.

2.4. Research questions discussion

Process: How efficiently was the intervention delivered, and what factors influenced its implementation across different councils?

- 2.4.1. The workstream experienced delivery delays, running from April 2023 to March 2024 (original target November 2023). This slower start delayed councils' ability to achieve impact before March 2024. Some felt a consistent programmatic approach would have yielded greater benefits, with many councils failing to make concrete progress on new products, services and initiatives at the time of the evaluation.

Process: To what extent did the process build collaboration, leadership, and capability? To what extent did it address economic growth challenges?

- 2.4.2. Councils reported that the opportunity to collaborate was a benefit, though direct joint working opportunities remained limited. Structured joint working proved difficult due to varying digital maturities and differing project pathways among participants. This meant that levels of sustained collaboration were not as high as intended. Moreover, while Future Councils successfully identified sector-wide challenges and priorities, the work undertaken to solve them and build council capacity has not successfully scaled beyond funded councils.

Impact: To what extent did the intervention lead to the intended outcomes, and who was impacted? Has the intervention resulted in any unintended outcomes?

- 2.4.3. Of the four intended outcomes of Future Councils, three were achieved to a Low extent, and one Medium. Taken together, the intervention has failed to significantly achieve its intended outcomes. However, the intervention has contributed to Local Digital's efforts to reassess its role in providing digital support for councils.

Impact: How much of the observed change can be attributed to the intervention, and what other factors influenced the outcomes?

- 2.4.4. The outcome area where there has been the largest observed change is in the design and implementation of new policies to support the sector. The research shows that Future Councils has made a clear contribution to that outcome. There is direct evidence from the Local Digital leadership team about how Future Councils has informed their digital support offer.

VfM: What are the benefits and costs of the intervention? Do the benefits outweigh the costs?

- 2.4.5. Councils submitted limited data, which prevented a full Value for Money (VfM) assessment. In most cases, projects were still in early stages of deployment, meaning that outcome data was not yet available. For one council where sufficient data was

available, early evidence suggests the potential for positive VfM at the local level in the long-term.

Lessons learned

- 2.4.6. **Improving the selection of participating councils:** The programme attracted disproportionate applications from London and the South East, and a high number of Unitary Authorities were selected. This suggests future interventions should improve outreach and support to ensure broader geographic and structural diversity in participants.
- 2.4.7. **Addressing structural barriers to digital change:** Despite aiming for agile digital transformation, many councils faced delays due to slow internal governance and decision-making. These realities must be considered when designing future programmes, as current structures do not support rapid innovation.
- 2.4.8. **The need for clear intervention strategies:** Future Councils lacked a defined Theory of Change or delivery pathway, making it difficult to align activities with outcomes. While the programme adjusted over time, the initial lack of structure was a barrier to effectiveness. Future initiatives should define specific mechanisms, consult stakeholders early, and use past evidence to shape design.
- 2.4.9. **Collaboration and scaling of solutions requires central coordination:** The workstream did not provide mechanisms to enable cross-council collaboration or scaling of successful solutions. Without structured coordination, efforts remained localised. Future programmes must embed pathways and resources for sharing and scaling from the outset.
- 2.4.10. **The importance of leveraging existing knowledge and sector engagement:** The pilot confirmed well-known systemic issues (e.g. tech procurement, interoperability), but similar insights might have been gathered more efficiently. Drawing lessons systematically from previous programmes like the Local Digital Fund, or engaging sector bodies (e.g. LOTI, LGA), could have achieved similar findings with fewer resources.
- 2.4.11. **The need to set monitoring and evaluation processes and requirements:** Lack of baseline data, standardised outcome measures, and inconsistent engagement from participants undermined evaluability. Future interventions should embed M&E requirements from the start, with clear expectations and incentives (e.g. tying funding to data provision or milestone reporting)

3. Cyber Support

Summary of workstream

The Cyber Support workstream was launched in 2020 and rolled out widely across the council sector, following a series of high-profile ransomware attacks on councils. It used a sector-wide survey to prioritise councils for support, before developing concrete Cyber Treatment Plans (CTPs), for councils to tackle identified areas of vulnerability. The workstream issued £19.9 million to 192 councils to implement CTPs.

Process Evaluation: The intervention was broadly well-targeted and delivered. Despite challenges, councils reported broad benefits from CTPs, with funding acting as a catalyst. In particular, CTPs enabled councils to identify and address basic vulnerabilities in a targeted way. They provided greater structure and focus than the plans generally developed for digital projects, within other intervention areas. However, estimated completion of CTPs took longer than expected due to council internal capability and resource constraints.

Impact Evaluation: The intervention generally led to its intended outcomes in a clear way. Of the three intended outcomes of Cyber Support, one was delivered to a High extent, one Medium to High, and one Medium. CTPs were effectively developed and clearly delivered in most cases by councils. As above, although the intervention did not explicitly or formally intend to build cyber skills, it successfully raised the profile of cyber within some councils, especially amongst senior leadership teams.

Value for Money Evaluation: The total costs of the intervention were £28.9m, and the total monetised benefits were £63.7m. These benefits were used by using a model to translate cyber improvements into savings for local councils, projected over a 10-year period. This gives Cyber Support a High VfM score. This is unlikely to be upgraded to Very High when accounting for non-monetisable benefits not captured by this evaluation's risk-reduction model.

- 3.0.1. This chapter presents the key Process, Impact, and Value for Money evaluation findings for Cyber Support.
- 3.0.2. The Cyber Support workstream was launched in 2020 following major ransomware attacks on councils such as Hackney, and Redcar & Cleveland. Its aim was to identify cyber risks in councils and deliver tailored Cyber Treatment Plans (CTPs) to mitigate these vulnerabilities.
- 3.0.3. A nationwide 'Mitigating Malware and Ransomware' (MMR) survey was used to assess councils' risk levels. Councils identified as most at risk were invited to technical workshops with MHCLG delivery partners to co-develop bespoke CTPs and determine appropriate funding. CTPs were structured around the following seven key remediation categories:
 - **Backups (BK):** Ensures data resilience and continuity of operations during a ransomware incident, minimising disruption to services.
 - **Multi-Factor Authentication (MFA):** Adds an extra layer of verification before accessing systems to reduce the risk of unauthorised access.

- **Active Directory (AD):** Focuses on secure management of system access, particularly for users with high privileges.
- **Active Cyber Defence (ACD):** A set of proactive measures including DNS filtering, incident response testing, monitoring, email and website security.
- **Operating Systems (OS):** Ensures use of supported systems receiving regular security updates and replaces legacy infrastructure where needed.
- **Logging and Monitoring (LOG):** Enhances councils' ability to detect, analyse, and respond to cyber threats in a timely way.
- **IT Health Checks (ITHC):** Tests compliance of IT systems with the Public Services Network (PSN) Code of Connection.

3.0.4. The full list of focus areas and topics within each remediation category is captured in Section 11 in the Appendix. Rather than address all areas equally, CTPs were tailored to the specific vulnerabilities identified for each council. Between March 2021 and March 2023, the programme issued £19.9 million in funding to 192 councils, covering 159 IT estates. Councils were given 12 months to implement their plans. Funding was distributed in 8 batches across 5 cohorts, between 2020 and March 2023.

3.1. Process Evaluation

3.1.1. This section summarises the main findings from the Cyber Support Process Evaluation. Findings are grouped into three themes: (1) application and selection process, (2) delivery and execution of workstream activities, and (3) collaboration.

Application and selection process

3.1.2. Local Digital used the MMR survey to assess councils' risk levels for malware and ransomware attacks, alongside input from the National Cyber Security Centre (NCSC). The survey used risk factors such as admin accounts, backups, operating systems, and incident response, while also considering contextual factors like council type, population, and strategic importance. These factors were weighted to determine MMR scores.

3.1.3. However, Table 6.1. reveals some inconsistencies in the selection process. Despite higher MMR scores generally correlating with a higher likelihood of selection, councils with similar scores were sometimes excluded from Cyber Support (see more detail in Section 10 in the Appendix). Similarly, Table 6.2. reveals that higher MMR scores did not necessarily lead to earlier treatment.

Table 6.1. Councils selected for Cyber Support treatment based on MMR scores.

MMR score banding	0-10	10-20	20-30	30-40	40-50	50-60
Councils selected	0	28	85	73	8	3
Councils not selected	18	86	38	4	0	0

Explanatory note Table 6.1. The scoring system for the MMR survey used a low to high scale, with higher MMR scores indicating a higher level of council risk.

Table 6.2. Cohort allocation and MMR scores.

Cohort	MMR score average
A	27.10
B	29.4
C	29.81
D	28.51
E	26.98
Total	28.36

- 3.1.4. Two key factors contributed to these inconsistencies: (1) the focus on backups and (2) changes in risk factor weightings during the process. The Cyber Support workstream was created in response to high-profile ransomware attacks, such as those on Hackney and Redcar and Cleveland councils. As a result, councils with effective backup systems, even if they had similar MMR scores, were less likely to be selected for support.

“The questions were directed in a way that explicitly called out the vulnerabilities that Redcar and Cleveland had (...) unless you matched exactly the weaknesses or vulnerabilities that sat within there you didn’t qualify”.

- Technical Services Manager, Combined Authority

- 3.1.5. Additionally, the MMR survey was not standardised, with risk factors and their weighting changing throughout the process. Furthermore, factors such as council type and population, which were less relevant to cyber risk, were weighted similarly to more critical factors. There was no clear correlation between MMR scores and funding allocation. Funding decisions primarily focused on replacing or migrating backup solutions, which required significant capital expenditure. Early cohorts received larger funding portions as funding mechanisms were still developing. Later cohorts received more balanced distributions based on council size, budget, and specific risk treatment needs.

- 3.1.6. In conclusion, although the MMR survey helped identify general council vulnerabilities, it did not consistently prioritise councils or determine funding allocations. Tables 4.19 and 4.20 show inconsistencies, with some high-scoring councils excluded or receiving later support. This was largely due to a focus on backup system needs and changing risk weightings during the process. Funding decisions prioritised capital costs for backup solutions rather than MMR scores alone, reflecting practical needs identified through technical workshops and ongoing assessment. Although the design of the MMR survey was focused on identifying councils with risk associated to lack of backups, for future

interventions focusing on cyber posture as a whole, the survey could be refined so that factors are weighted to better reflect risk levels.

Delivery and execution of workstream activities

Developing Cyber Treatment Plans

- 3.1.7. Councils selected for Cyber Support developed CTPs in technical workshops with MHCLG delivery partners based on a detailed assessment of key risk factors included within the MMR survey. CTPs were designed to provide a structured risk-based approach for each of the 7 remediation categories outlined above. The purpose was to: 1) improve recovery processes in the event of a successful malware or ransomware attack; and, 2) reduce the risk and likelihood of a malware and / or ransomware attack.
- 3.1.8. When receiving Cyber Treatment Plans (CTPs) councils stated that they were generally aware of risks and reported having known weaknesses and vulnerabilities with their cyber security. Many councils relied on the PSN Code of Connection (CoCo) as a standard security baseline, and often aligned their CTPs with the PSN compliance requirements.
- 3.1.9. Although councils used PSN as a baseline, many expressed a desire to go beyond these minimum standards and sought more comprehensive, scalable security frameworks. However, due to limited resources and funding, frameworks like ISO 27001 and the NIST Cybersecurity Framework were not feasible for most councils. Cyber Essentials, while more achievable, also posed challenges for many councils. There is therefore an opportunity to better align CTPs with existing frameworks.

Executing Cyber Treatment Plans

- 3.1.10. Councils were tasked with completing implementation of their CTPs within 12 months of receiving funding, with quarterly review sessions with MHCLG delivery partners to assess progress. Remediation actions were given risk ratings of high, medium or low. The risk ratings highlight the likelihood of occurrence and the subsequent impact if the risk were to materialise. These were an important component in helping councils make informed decisions regarding prioritisation and allocation of resources.
- 3.1.11. The expectation for remediation was for councils to cascade risks, prioritising treatment of high-risk actions within the first 6 months of delivery, medium risks within 9 months and low risks within 12 months. Given the contextual challenges councils face, combined with the fact they have limited resources, capabilities and budgets, some found these timelines ambitious.
- 3.1.12. External factors, including COVID-19 and supply chain shocks, forced councils to adapt to remote working and tackle IT hardware backlogs. MHCLG delivery partners noted early cohorts, even a year post-funding, showed mixed progress.

“In the end we took probably 6 months longer than we anticipated to implement it just because of the resource pressures on our side.”

- Operations Lead, District Council

- 3.1.13. Interviews confirmed implementation challenges due to funding and resource shortages. Additionally, councils face a cyber skills shortage, unable to compete with private sector salaries or recruit new staff due to budget constraints and recruitment freezes.

“One of the biggest risks that we have is the fact that we can’t recruit because the funding and the salary levels that we can offer are nowhere near the private sector.”

- IT Lead, District Council

- 3.1.14. Acknowledging the contextual limitations councils face, the 12-month timelines were no longer strictly embedded into the workstream. Rather, the aim was to remediate vulnerabilities with regards to councils’ backups with flexibility provided to support councils through their CTPs and address their other areas of prioritised risks.

- 3.1.15. Given this flexibility, councils often spent funding on addressing risks outside of their CTPs. For example, security products were likely to be licensed for extended periods to stretch the one-time funding over several years, ensuring that prioritised changes were sustained as opposed to addressing every action in the CTPs.

“The things we bought were just easy to spend with the money we had (...) we reined it in a little bit (...) we knew there was just one lot of money so it would last longer. The licence we bought was sort of 3 years, as opposed to just one year.”

- Head of ICT, District Council

- 3.1.16. Despite challenges, councils reported broad benefits from CTPs, with funding acting as a catalyst. CTPs enabled councils to address basic vulnerabilities, but findings suggest they struggle to effectively manage risks due to a lack of funding, resource capability, and leadership engagement.

Collaboration, capability, and leadership engagement

Capability

- 3.1.17. Balancing security and operations remains a key challenge for councils. Given councils’ limited capabilities, the increased operational overheads as a result of procuring additional systems to manage cyber security stretched existing resources even thinner.

“I can’t think of a single council that’s turning around and saying ‘we’ve got enough resources to be able to do what we’d like to do’. They’ve got competing priorities. They’ve got business as usual.”

- Cyber Security Specialist, MHCLG delivery partner

3.1.18. Further to this, councils face recruitment challenges, unable to compete with private sector salaries.

“I would say we don’t have enough resources. I mean we’ve just lost 11 people this year because of all of the redundancies (...) we just don’t have the resources”.

- Security Manager, Unitary Authority

3.1.19. Councils therefore have to upskill existing staff and leverage cost-efficient hires through offering internships, an approach which takes time to return dividends. In light of the rapidly changing environment and threat landscape of technology and cyber, councils are susceptible to finding themselves remaining vulnerable and exposed to risks as they simply do not have enough skilled staff to support, manage and deliver their IT estates. This has an impact on the agency of cyber as it is typically owned by and considered an IT issue despite serving distinct purposes.

Leadership engagement

3.1.20. Councils typically struggled with organisational buy-in for cyber security across leadership, staff, and suppliers. Leadership engagement was predominantly driven by leaders' awareness of significant cyber attacks, such as the ransomware attacks on Hackney and Redcar and Cleveland. This meant council leadership often lacked understanding of broader cyber risks outside of these prominent occurrences.

3.1.21. A core component to enabling cyber transformation and maturity is embedding a security culture, which needs to be driven by leadership. Central to enabling a cyber security culture is security awareness training (Cabinet Office, 2022). This was outside of the scope of CTPs. In some cases, councils used additional funding to deliver training and awareness across their organisations, suggesting a need for more tailored support in this area.

“We would have probably gone more down an education awareness and training route, try and build the awareness of staff internally and make sure that they’re fully aware of the risks.”

- Cyber Security Manager, County Council

3.1.22. Councils generally felt that Cyber Support catalysed leadership engagement and organisational buy-in. A key driver was the input from MHCLG delivery partners, viewed as an independent external third party that validated council risk postures. This enabled councils to leverage CTPs as a means of raising awareness of risks and developing business cases to leadership teams for funding and increased budgets for cyber.

“The plan on improvement was coming from an independent third party and that’s quite powerful. So effectively that already makes the management team and chief exec more understanding and open to changes and improvements that need to be made.”

- IT Manager, District Council

“I have a specific pot of money in my budget for cyber, which has never been there before (...) it's not as much as I'd like. But it is now identified that cyber itself needs to be separated, and needs funding into it.”

- IT Manager, District Council

3.1.23. However, long-term sustainability remained a core concern for most councils. Councils were worried about managing licences. Where Cyber Support offered funding, this was a one-off lump sum, with licensing renewals having to be factored into existing financial forecasts and budgets.

“I fear that we might have to scale that back going forward because we just won't have the capital money or the revenue benefit the money there to actually carry on funding that. So that will be a slight worry for me.”

- Head of Operational Services, Combined Authority

3.1.24. Overall, there is a desire for more cyber security funding in general to sustain and expand progress. Leadership teams are generally more aware of cyber risks, but budget realities mean the councils can only mitigate issues possible though using available resources, capabilities and funding.

3.2. Impact Evaluation

3.2.1. This section presents the findings from the Impact Evaluation of Cyber Support. To do this, outcomes from the Theory of Change have been grouped into three outcome areas based on common themes. The following pages summarise our Impact Evaluation for each area and indicate the degree to which outcomes have been realised.

Outcome 1. Implementation of CTPs.

3.2.2. Councils were expected to implement provided CTP remediation actions, and through this, reduce the risk and impact of malware or ransomware attacks.

Evaluation findings

3.2.3. Data on CTP completion indicates an 83% reduction in initial risk across all focus areas since the plans were issued in March 2021, as shown in Table 6.3. The Local Digital team has monitored progress monthly, and the LACRiM model has been updated through two follow-up exercises - one in December 2023 and another in January 2025. This substantial decrease in aggregated risk scores suggests that the Cyber Support

programme has had a positive and measurable impact on improving councils' cyber risk postures over time.

Table 6.3. CTP focus areas and total risk scores since March 2021.

Focus area	Risk score (March 2021)	Relative risk reduction (December 2023)	Relative risk reduction (January 2025)
BACKUPS	12732	75%	82%
MFA	2494	79%	90%
AD	8004	78%	87%
ACD	2506	75%	82%
OS	4257	73%	88%
LOG	5886	63%	71%
ITHC	1939	82%	86%
Total	37818	74%	83%

Explanatory note of Table 6.3. Each treatment council is assigned a risk score, calculated as the total sum of individual risk scores (High = 10, Medium = 5, Low = 1, Complete = 0) for remediation actions included in their CTP across focus areas. The table compares total scores across all treatment councils at three intervals: March 2021, December 2023, and January 2025, showing how the risk has changed over time as councils progress through their CTPs.

3.2.4. Each action in CTPs was given a risk score. As shown in Table 6.4., councils initially focused on addressing high-risk actions, resulting in an 81% reduction in high-risk actions by December 2023. By the second monitoring period in January 2025, attention had shifted toward remediating medium- and low-risk actions, reflecting a phased and risk-prioritised approach to implementation.

Table 6.4. Change in risk scores split amongst risk ratings since March 2021.

Risk level	Risk score (March 2021)	Relative risk reduction (December 2023)	Relative risk reduction (January 2025)
High	24361	81%	16%
Medium	12278	66%	38%
Low	1179	58%	55%

Explanatory note of Table 6.4. The table presents the risk scores, and relative risk reduction between monitoring periods (March 2021, December 2023, and January 2025), broken down by score rating.

3.2.5. Councils were expected to address risks in order of severity: high-risk actions within six months, medium-risk within nine, and low-risk within 12. While these timelines were generally not met, councils generally did prioritise high-risk actions. However, progress

across specific focus areas varied significantly due to a combination of compliance pressures, resource constraints, and technical complexity.

3.2.6. **Impact of compliance pressures:** Despite being initially assessed as a low-risk area, ITHC saw the highest risk reduction by December 2023. This is attributed to its regulatory importance under the Public Services Network (PSN). This highlights how regulatory compliance, rather than perceived risk level, influenced remediation decisions.

3.2.7. **Procurement challenges:** Logging and monitoring saw the least progress and improvement across CTPs with the lowest reduction in risk score at 63% in December 2023, and still the lowest in January 2025 at 71%. Councils expressed difficulties with procurement due to the lack of appropriate solutions available in the market that aligned to council requirements. The availability of solutions that provided out of hours support to supplement councils' internal Security Operations Center (SOC) was severely limited. Because of this, councils often felt they were steered towards transitioning to a fully managed SOC to provide 24/7/365 monitoring. However, this was usually not a viable option due to it being an "incredibly expensive option", as one unitary council put.

"It's taken us two years (...) to find four suppliers (...) who would be willing to contract on a pure out of hours SOC and not want us to effectively make all our staff redundant and take over the whole thing".

- Information Security Manager, Unitary Authority

3.2.8. As a result, many councils chose to manage logging and monitoring internally with existing resources, even if that meant forgoing comprehensive support and delaying remediation actions.

3.2.9. **Legacy systems:** Legacy systems continued to present challenges with bespoke software and services being difficult to replace due to their critical importance to the council, and a lack of viable alternative solutions. This is important to note when considering Trustwave's SpiderLabs Report finds that Apache Log4j and MOVEit transfer – both vulnerabilities commonly found in legacy environments - continue to be the most common exploit attempts against public sector organisations (Trustwave, 2024). Legacy systems were also cited as the primary contributor to the length of time that the British Library will require to recover from its ransomware attack in October 2023 (British Library, 2024).

"So legacy systems were an issue for us. We had a particular database sitting on Windows 2003 and the business just refused to let it go because of what it held. But we have actually made progress on that this year and got it switched off."

- ICT Officer (Cyber Security), Unitary Authority

3.2.10. The Cyber Support intervention has supported councils with replacing legacy systems and significantly improved patching security vulnerabilities (as evident by the 91%

reduction in OS topic area Patching total risk score (OS3)). However, there is still a significant threat posed to the sector as local authorities remain susceptible to known common vulnerabilities.

- 3.2.11. **Cloud migration:** The evidence available suggests that councils were able to leverage Cyber Support funding to catalyse their migration of IT infrastructure to the cloud. Council resilience therefore improved by upgrading their Microsoft licences and gaining access to a suite of additional security features and capabilities. Local authorities are now able to secure their Active Directory with role-based access controls and password policies while improving their ability to securely manage their IT assets by leveraging tools such as InTune and implementing Multi-Factor Authentication. As a result, MFA and AD had the second and third highest risk reduction in risk scores across CTPs at 90% and 87% respectively as illustrated in Table 6.3. While most AD sub-areas showed strong improvement, Domain Controller Access (AD2) had the lowest risk reduction at 78% in January 2025 as councils struggled to document and update their network architecture due to the complexity of their IT estate, which is exacerbated by the skills shortage and lack of subject matter experts across the sector.
- 3.2.12. Separately to the challenges associated with specific focus areas, lack of resources and capability to action remediation actions were also highlighted as key challenges. This is further discussed in the Process Evaluation section of this chapter.
- 3.2.13. Additionality levels varied by focus area, shaped by financial costs, cyber capability, and the need for whole-council leadership engagement.
- 3.2.14. **Low additionality:** IT Health Checks (ITHC) would likely have occurred regardless of Cyber Support due to regulatory requirements and high completion rates.
- 3.2.15. **High additionality:** Active Cyber Defence (ACD), Active Directory (AD), and Multi-Factor Authentication (MFA) improvements were unlikely without Cyber Support due to cost, complexity, and resource requirements, despite some being free via NCSC.
- 3.2.16. **Very High additionality:** Significant cultural and financial barriers indicate improvements in Operating Systems (OS), Backups, and Logging and Monitoring (LOG) would likely not have happened without the intervention. These additionality levels inform our Value for Money evaluation.
- 3.2.17. As most CTP activities fall under the High or Very High additionality categories, the overall additionality for this outcome area is High. This means that councils would likely not have undertaken the CTP activities without the intervention.

Analysis of findings

- 3.2.18. **Achievement score:** High. As of January 2025, the intervention had reduced the total risk captured in CTPs by 83% across all focus areas. Although there were delays in the

completion of CTPs, this represents a strong achievement, with completion rates expected to increase as councils continue to report progress.

- 3.2.19. **Confidence score:** High. The conclusion is based on CTP completion data collected from all participant councils.

Outcome 2. Response and recovery processes.

- 3.2.20. The implementation of resilient and immutable backups, as well as incident response plans, was expected to improve councils' ability to manage a malware or ransomware attack, enable faster recovery, and minimise their impact.

Evaluation findings

- 3.2.21. Improving response and recovery mechanisms for Cyber Support centred on ensuring that councils had implemented and tested their backups and incident response plans. Between March 2021 and January 2025, completion of remediation activities associated within this focus area translated into a risk score reduction of 82%. This can be classified as a major success of Cyber Support towards improving council recovery processes. Although councils were aware of the risks associated with backups - particularly considering ransomware attacks across the sector - many stated that, without the Cyber Support programme, they would have been unlikely to take action to address them.

“So actually, [improving backups] was my main driver that made me go through [Cyber Support]. Now we're in a position where we've got really good robust backup arrangements so that gives me a lot of comfort.”

- Chief Information Officer, District Council

- 3.2.22. The focus area of backups was divided into nine clustered topic areas, based on the different remediation activities for each topic. Table 6.5. shows progress across topics.

Table 6.5. Backup topics risk scores between March 2021 and January 2025.

Topics	Risk score (March 2021)	Risk Score (January 2025)	Relative Risk Reduction
BK1 – Design	2649	469	82%
BK2 – On-Premises	1932	362	81%
BK3 – Cloud	1333	200	85%
BK4 – Email	1403	216	85%
BK5 – Database	1572	514	67%
BK6 – Security	1206	42	96%
BK7 – Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO)	824	153	81%
BK8 – Restore Testing	1054	185	82%
BK9 – Logging and Alerting	759	169	78%

3.2.23. The topic with the highest level of risk reduction across all backup topics is ‘BK6 – Security’ with 96%. This reinforces the positive impact of progress made within this focus area due to Cyber Support, as it highlights the importance of backups beyond being able to successfully restore data but also ensuring data is encrypted and secured. As the digital landscape continues to evolve, so do ransomware threats, with double and triple extortion methods now commonly being used by malicious actors. The British Library, for example, were victim to this method as adversaries’ primary objective during their ransomware attack was to seek exfiltration of sensitive data rather than encrypting data and demanding a ransom (British Library, 2024).

3.2.24. However, the lack of resources and skilled capabilities across council organisations present the following challenges and risks to the improvements made to response and recovery mechanisms.

3.2.25. **Logging and monitoring:** Topic ‘BK9 - Logging and Alerting’ showed the least progress under the backups focus area. Cloud backups typically provide a 30-day data retention window, meaning councils must detect ransomware or other malicious activity within that timeframe to recover data effectively. The slow progress in this area, as well as the challenges with the Logging and Monitoring focus area, means councils could struggle to detect threats quickly enough, leaving them vulnerable despite having cloud backups in place.

“Cloud systems where there’s a 30-day recovery period isn’t ideal and yes, it would be massively disruptive.”

- Workstream Delivery Partners, MHCLG

3.2.26. **Data retention:** Some councils reported that they find themselves retaining data indefinitely. Councils suggested that this had a negative knock-on impact when procuring

backup solutions, as they are over paying on storage costs due to the volume of data being stored.

“The only thing I must say we haven’t really got to grips with is data retention. If we lost a Microsoft 365 environment and had to recover, we will take some serious weeks because of data, just a simple size of data.”

- Head of Cyber and Information Security, London Borough

3.2.27. **Business impact assessments:** While councils achieved strong risk reduction scores for ‘BK7 – Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO)’ - many struggled with implementation due to the complexity of their IT estates and the cross-organisational coordination required. Setting effective RTOs and RPOs requires holistic contribution from the organisation, as business continuity and disaster recovery amongst local authorities is not typically managed by IT. Interviews have suggested that business impact assessments are not being conducted effectively across councils. As a result, there is a lack of documented RTOs and RPOs in Business Continuity (BC) / Disaster Recovery (DR) plans which can lead to ineffective recovery and over allocation of resources.

“Everyone thinks their systems are Priority 1 (P1) so there's loads of arguments at that level. That's Civil Contingency to agree. We've got an idea of some systems that have to be, but every other data asset owner is jumping at the top and wants to get at the top.”

- Head of Cyber and Information Security, London Borough

3.2.28. Notably, incident response plans were not included as an explicit focus area with CTPs. Instead, related remediation actions were distributed across Backups, Logging, and ACD focus areas. While there is some evidence that specific response and recovery mechanisms have improved, there is insufficient information to assess whether councils have developed comprehensive and effective incident response plans.

3.2.29. **Testing:** Specific actions related to testing of backups, incident response, and BC/DR plans show high levels of risk reduction (i.e., ‘BK8 - Restore Testing’ 82% risk reduction). However, insights from interviews suggest that testing is not regularly conducted and often delivered as a static exercise. Therefore, testing was likely to have been completed at the time of when backup solutions and incident response plans were implemented which would have resolved the CTP action. The lack of ongoing testing which limits councils’ ability to proactively respond and recover.

“[Incident response plan testing] was in 2022. I think it was towards the backend of what we were delivering (...).”

- Managed Service Provider, District Council

3.2.30. When assessing additionality, improvements in backup capabilities demonstrated very high additionality. Significant cultural and financial barriers within councils typically meant

that robust backup solutions and improved practices would likely not have occurred without the Cyber Support intervention.

Analysis of findings

- 3.2.31. **Achievement score:** Medium to High. Backup risk scores dropped by 82% between March 2021 and January 2025, showing strong progress. However, as Incident Response Plans were not a specific focus area, evidence regarding the effective development and testing of these plans across councils is limited. While restore testing (BK8) showed an 80% risk reduction, interviews suggest full response and recovery testing remains inconsistent due to competing priorities.
- 3.2.32. **Confidence score:** High. The conclusion is based on CTP completion data collected from all participant councils, and insights from a representative sample of participant councils (14%).

Outcome 3. Cyber resilience and risk reduction.

- 3.2.33. The completion of CTP remediation actions was expected to improve the overall cyber resilience of participating councils.

Evaluation findings

- 3.2.34. To assess the impact of Cyber Support on councils' cyber resilience, CTP focus areas were mapped onto the MITRE ATT&CK framework. This framework is a globally recognised knowledge base that maps adversarial tactics, techniques, and procedures (TTPs) used in cyber attacks, based on real-world observations. It categorises cyber-attack strategies into 14 tactics, ranging from initial access to system disruption, identifying 202 techniques and 435 sub-techniques (MITRE, 2024). Regular updates reflect the evolving threat landscape.
- 3.2.35. Cyber attacks typically follow a series of steps, known as an "attack path." The MITRE ATT&CK framework identifies these paths and outlines the corresponding measures that can help mitigate ransomware threats. In the table below, CTP focus areas are mapped to the attack paths and mitigation strategies in the framework. This mapping enables us to calculate a rough coverage percentage, demonstrating how much of the attack paths are addressed by Cyber Support's remediation efforts.

Table 6.6. Coverage of Cyber Treatment Plans as a proportion of known mitigating controls.

Cyber Treatment Plan focus area	Coverage (%)
Backups	1
Active Directory (AD)	31
Logging (LOG)	9
Multi-Factor Authentication (MFA)	4
Operating Systems (OS)	4
IT Health Check (ITH)	5
Total (θ theta)	53

- 3.2.36. The results from this mapping provided several valuable insights into the effectiveness of the CTP programme. As seen in Table 6.4., AD represents more than half (around 57%) of the total coverage. CTPs reflected this relevance, with AD marked as the second highest risk area. This alignment shows the risk scoring in CTPs effectively highlighted critical areas and prompted action, helping strengthen council cyber resilience.
- 3.2.37. In contrast, Logging and Monitoring accounts for 9% of coverage, and MFA for just 4%. This lower representation does not reflect lower importance, but rather their more targeted scope. AD controls address a broader range of attack stages; while logging primarily supports detection and response once an attacker is active in the environment. Similarly, MFA is highly effective - especially at preventing unauthorised access through stolen credentials - but applies to a narrower set of adversary behaviours.
- 3.2.38. Progress in Logging and Monitoring has been limited, showing the lowest risk reduction across CTP focus areas (see Outcome area 1). Councils often lack the capability and resources to monitor and respond to alerts in real-time - especially outside business hours. Legacy systems increase these risks. The British Library incident revealed how older network designs granted attackers broader access than modern systems would (British Library, 2024). Manual processes also increased data duplication and transfer, placing more sensitive information at risk. While Cyber Support has supported migration planning and system replacement, full modernisation will take time - leaving residual risk in the interim.
- 3.2.39. The adoption of MFA has helped mitigate some of these risks by adding an extra layer of defence against unauthorised access. While MFA accounts for just 4% of mitigating controls within the ransomware attack path - due to its more limited applicability - it remains a highly effective control. Through Cyber Support, councils have achieved a 90% reduction in MFA-related risk. This is particularly evident in areas such as Bring Your Own Device (BYOD) management, where risk has decreased by 95% between

March 2021 and January 2025, thanks to the rollout of Mobile Device Management (MDM), remote wipe capabilities, and corporate laptops.

- 3.2.40. However, a critical gap in Cyber Support has been the lack of focus on human factors. Despite addressing many technical vulnerabilities, councils remain particularly vulnerable to phishing attacks, which exploit human error rather than weaknesses in software or systems (Trustwave, 2024). The 2024 Cyber Security Breach Survey found that phishing was the most common type of cyber incident, affecting 84% of organisations (DSIT, 2024a).
- 3.2.41. There have been low levels of investment in cyber security training across local government. In 2020, around 40% of councils spent nothing on training, and the average annual spend was just £1.58 per employee (Redscan 2021).
- 3.2.42. For Outcome area 3, additionality was high across all councils, but its nature differed based on their pre-existing cyber capability. For lower capability councils, the Cyber Support programme achieved high additionality by initiating foundational cyber improvements and introducing new capabilities that likely would not have developed, or only much slower, without the intervention's direct support. These councils experienced a greater relative uplift in their cyber posture. Conversely, for higher capability councils, the programme also demonstrated high additionality, but by enabling them to accelerate their progress and implement a greater number of more advanced controls.

"We've got some quite good standards which [Cyber Support] helped build on and then it helped us do them advanced bits".

- Cyber Security Manager, Metropolitan District Council

Analysis of findings

- 3.2.43. **Achievement score:** Medium. The 83% reduction in risk through the completion of CTPs demonstrates that the intervention has significantly contributed to improving councils' cyber resilience and reducing risk. However, mapping against the MITRE ATT&CK framework shows that only 53% of potential mitigation controls were addressed. Additionally, challenges in completing actions related to Logging and Monitoring, coupled with the rapidly evolving threat landscape, justify classifying this outcome as Medium.
- 3.2.44. **Confidence score:** High. The conclusion is supported by comprehensive CTP completion data from all participating councils, thorough analysis via the MITRE ATT&CK framework, and insights gathered from a representative sample of councils, ensuring a robust and reliable evaluation.

Unintended outcomes

- 3.2.45. **Security awareness training:** Despite not being an explicit remediation area, councils allocated funding portions to implement security awareness training for users and senior leadership, given low capabilities and awareness.
- 3.2.46. **Improved leadership buy-in:** As Cyber Support intervention included funding from central government, many councils felt this gave cyber security a stronger voice within the organisation, even if not an intended outcome of the workstream. This has enabled basic cyber foundations to be established as councils allocated funding to cyber security, including cyber training initiatives.
- 3.2.47. **Future risk exposure:** Structural council barriers, including a lack of ongoing funding, senior leadership buy-in and clear ownership of cyber security, made it difficult for participants to sustain investment in cyber security after the grant. While the funding received via Cyber Support enabled a large majority of councils to catalyse their cyber improvements, little consideration was given in the design of the workstream to ensure councils could sustain such changes beyond the programme. The lack of sustainability risks Cyber Support becoming a static intervention whereby council efforts to improve their cyber would materially deteriorate.

Impact Evaluation discussion

- 3.2.48. Table 6.7. provides a summary of the extent to which each outcome area has been achieved, along with confidence levels based on the available evidence.

Table 6.7. Overview of Cyber Support outcomes.

Area	Evidence summary	Achieved	Confidence
Outcome 1. Implementation of CTPs	A reduction of 83% of total risk captured in CTPs has been reported by councils to the workstream delivery team.	High	High
Outcome 2. Response and recovery processes.	Reported backup risk scores fell by 82%. However, there is no evidence of progress on Incident Response Plans, as this was not a focus area. Qualitative feedback from 14% of participant councils also suggests limited testing of response and recovery processes.	Medium to High	High
Outcome 3. Cyber resilience and risk reduction.	An 83% reduction in risk through completed CTPs indicates a significant contribution to improving cyber resilience. However, only 53% of potential mitigation controls were addressed (MITRE ATT&CK mapping).	Medium	High

Theory of Change discussion

- 3.2.49. The Impact Evaluation found that the assumptions underpinning the Cyber Support Theory of Change were largely accurate. The creation of Cyber Treatment Plans, alongside the provision of specialist support, enabled councils to implement improvements and strengthen their preparedness against malware and ransomware attacks - the central aim of the intervention. The only assumption that has not been met is the time councils would require to complete CTP activities, which - mostly due to council resource constraints - have, in many cases, been significantly longer than the expected 12 months.

3.3. Value for Money

- 3.3.1. This section presents the VfM evaluation of Cyber Support across economy, efficiency, and effectiveness.

Economy and efficiency

- 3.3.2. Cyber Support spend has exceeded budgeted amounts, likely due to councils taking longer than the estimated 12 months to complete Cyber Treatment Plans (CTPs). Our efficiency assessment compared average daily costs for consultancy and agency staff supporting councils, finding them significantly higher than market rates, indicating potential inefficiencies. Table 6.8 shows this benchmark.

Table 6.8. Cyber Support consultancy spend benchmark.

MHCLG cost per day of support provided (£k)	Average market day rate (£k)	Difference
2.72	0.97	180%

Explanatory note of Table 6.8. To calculate the average market day rate, pricing information from the Digital Marketplace was used. One supplier provided an estimated cost range for a unit per day (£0.4k to £1.5k). The average value has been used to derive the market day rate presented in the table.

Effectiveness

- 3.3.3. To evaluate the effectiveness of the Cyber Support, a cost-benefit analysis considered all the costs and benefits associated with the intervention.

Costs

- 3.3.4. Table 6.9. outlines all the cost information gathered from the Cyber Support workstream.

Table 6.9. Overview of Cyber Support costs (real).

Cost types	Incurred by	Total (£m)
Direct grant funding costs	MHCLG	23.3
Consultancy costs	MHCLG	4.7
Staff costs	MHCLG	0.8
Unfunded council costs related to completing the CTPs	Councils	Non-monetised
Total	MHCLG and Councils	28.9

Benefits

3.3.5. To quantify benefits, the Local Authority Cyber Risk Model (LACRiM), which calculates the Annualised Loss Expectancy (ALE) for each participating council and aggregates the total as the intervention's monetised savings, was used. It quantifies and monetises the costs of cyber incidents and assesses how improvements in council cyber resilience - measured through completion of CTP actions as of January 2025 - can reduce these losses. To support this analysis, the model draws on the following key inputs;

- Data from two historical ransomware attacks on local authorities used to estimate cost ranges.
- Cyber resilience data for each council based on completion of CTP actions (as of January 2025).
- Additionality estimates for each focus area (see Table 6.10. and Impact Evaluation, Outcome area 1).
- Attack probability baselines developed in collaboration with the Government Actuary's Department (GAD).

3.3.6. Key assumptions of the model include:

- Historical ransomware incidents are representative of future risk scenarios.
- The severity of cyber attacks varies randomly, regardless of intervention.
- Councils share broadly similar probabilities of attack, adjusted slightly by type or size.

Table 6.10. Overview of Cyber Support additionality.

CTP focus areas	Additionality level	Percentage
BK, OS, and LOG	Very High	95
MFA, AD, and ACD	High	80
ITHC	Low	5

3.3.7. Resulting savings are projected over a 10-year period from 2025. To adjust for the rising nature of cyber risks, a 3.5% discount rate (in line with HM Treasury's Green Book) was applied and incorporated an additional 11% factor to reflect increasing cyber policy

premiums (Marsh, 2023). This conservative adjustment accounts for the evolving cyber landscape and potential erosion of benefits over time. The following non-monetised benefits associated with Cyber Support were also accounted for.

- 3.3.8. **Benefits not accounted for in LACRiM:** The model considers directly monetisable costs (e.g., lost revenue, recovery costs) but omits hard-to-monetise impacts of cyber attacks, such as data loss, confidentiality breaches (Leicester City Council, 2024), service disruption for residents (BBC, 2021), and staff wellbeing impacts (Gloucester City Council, 2023).
- 3.3.9. **Benefits of greater cyber buy-in within councils:** The Process Evaluation indicated the intervention led to increased leadership buy-in for cyber initiatives, potentially driving further funding for cyber activities and improved cyber posture.
- 3.3.10. There are also non-monetised costs, as Cyber Support funding did not cover all CTP activities. However, lacking data on additional investments and facing additionality uncertainty, they are too uncertain to determine.

VfM discussion

- 3.3.11. Based on the total costs, monetised, and non-monetised benefits, Table 6.11. shows the BCR calculations for Cyber Support.

Table 6.11. Overview of Cyber Support VfM.

VfM evaluation	
Total costs (£m)	28.9
Aggregate ALE change (annual benefits) (£m)	11.5
Monetised benefits (NPV) (£m)	63.8
BCR	2.2
VfM category	High
Switching value to next category (Very high) (£m)	115.6
Benefits not accounted for within LACRiM	Slight beneficial
Benefits of greater cyber buy-in within councils	Slight beneficial
Likely category	High

- 3.3.12. As shown in Table 6.11., the VfM category attributed to the Cyber Support intervention is 'High'. Despite the potential value of non-monetised benefits, this is unlikely to reach the switching value of £115.6m required for the next VfM category. Because of this, these

are classified as 'Slight beneficial'. Therefore, the likely category for the Cyber Support workstream remains 'High'.

- 3.3.13. The confidence in the VfM assessment of Cyber Support is highest across all workstreams. This is because of the availability of highly specific data from cyber treatment plans on a council-by-council basis. It is worth noting, however, that converting these cyber changes to monetisable impacts required modelling based on a number of assumptions, rather than directly reported financial data from councils. This should be considered as part of the confidence in the VfM findings.

3.4. Research questions discussion

Process: How efficiently was the intervention delivered, and what factors influenced its implementation across different councils?

- 3.4.1. The intervention was broadly well-targeted and delivered. Despite challenges, councils reported broad benefits from CTPs, with funding acting as a catalyst. CTPs enabled councils to identify and address basic vulnerabilities. They provided greater structure and focus than the plans generally developed for digital projects, within other intervention areas. Estimated completion of CTPs took longer than expected due to council internal capability and resource constraints.

Process: To what extent did the process build collaboration, leadership, and capability? To what extent did it address economic growth challenges?

- 3.4.2. Collaboration was not intended as an outcome of Cyber Support, and there were few examples of formal collaboration in the development or execution of CTPs. Likewise, the intervention did not directly tackle the capability and leadership challenges in the cyber sector. However, many councils reported that Cyber Support helped to catalyse interest and leadership support for building cyber preparedness. Monthly cyber clinics conducted by MHCLG and delivery partners were popular and well-attended.

Impact: To what extent did the intervention lead to the intended outcomes, and who was impacted? Has the intervention resulted in any unintended outcomes?

- 3.4.3. The intervention generally led to its intended outcomes in a clear way. Of the three intended outcomes of Cyber Support, one was delivered to a High extent, one Medium to High, and one Medium. CTPs were effectively developed and clearly delivered in most cases by councils. As above, although the intervention did not explicitly or formally intend to build cyber skills, it successfully raised the profile of cyber within some councils

Impact: How much of the observed change can be attributed to the intervention, and what other factors influenced the outcomes?

- 3.4.4. In general, there is high additionality for the Cyber Support intervention in achieving its intended outcomes. Although there are some investments in cyber preparedness that likely would have happened without the intervention (such as IT Health Checks), most of the specialised, resource-intensive changes would have not. This includes how Cyber Support helped councils to overcome significant cultural and financial barriers to drive improvements in Operating Systems, Backups, and Logging and Monitoring.

VfM: What are the benefits and costs of the intervention? Do the benefits outweigh the costs?

- 3.4.5. The total costs of the intervention were £28.9m, and the total monetised benefits were £63.7m. This gives Cyber Support a High VfM score. This is unlikely to be upgraded to Very High when accounting for non-monetisable benefits not captured by LACriM, due to the high switching value.

Lessons learned

- 3.4.6. **Pre-existing capabilities:** Councils with higher pre-existing cyber capabilities, such as expert personnel or established processes, more effectively leveraged Cyber Support. They built on existing resources to implement advanced controls, while less capable councils faced greater challenges. This is something that was not considered as part of funding decisions and suggests greater consideration of existing council capabilities when making funding and support decisions could lead to greater impact.
- 3.4.7. **Market availability:** Councils struggle to procure suitable solutions due to a lack of viable alternatives, leading to limited bargaining power and vendor lock-in. Their dependency on cloud providers like Microsoft, and difficulties in procuring logging and monitoring solutions, forced considerations of costly fully managed services. Future interventions could develop a suite of centralised security tools and services for local authorities to use via shared funding models, expediting cyber maturity, managing costs, standardising practices, and reducing duplication.
- 3.4.8. **Migration to the cloud:** Cyber Support encouraged a significant shift from on-premises to cloud-based solutions. While this brought operational and security advantages, it also introduced new risks and dependencies. Staff often lacked familiarity with cloud technologies, and the move required adapting to different types of cyber threats. The change did not eliminate risk; it altered its nature. Without adequate support and upskilling, some councils struggled to manage this transition. Future initiatives should accompany technology investments with training and support tailored to cloud-specific risks and operational needs.

- 3.4.9. **Council resource and capability:** Council IT departments were already overstretched before Cyber Support. Though funding has helped address staff shortages in some instances, there is a risk that the capacity and capability within council IT / Cyber departments will not be sufficient to meet the needs of maintaining and managing the needs of broader cyber security requirements. Our findings suggest that this has notably impacted councils' ability to test recovery mechanisms and proactively monitor for cyber threats for example. The need to grow cyber security capacity will be particularly acute and will be difficult to remediate without consideration of how local authorities remunerate high demand IT and cyber skills.
- 3.4.10. **Cultural change:** While Cyber Support focused on critical technical controls, it notably excluded human factors despite well-known risks. Embedding security more deeply requires investment in cultural changes across local authorities. Without this, the desire to deliver existing priorities may compromise necessary technology changes for future council security. A strong change management component and firm leadership from senior council teams will be essential to mitigate this risk. Future programmes could explore interventions driving greater cultural change and awareness against evolving cyber threats, starting with senior leadership teams' awareness and ownership of cyber security.
- 3.4.11. **Value of clear, prioritised action plans:** Councils reported that having clear, practical action plans helped them deliver improvements and manage internal resources more effectively. These plans created structure and focus, particularly in organisations with limited capacity. Future interventions should continue to emphasise structured delivery frameworks with prioritised actions and realistic milestones.

4. Cyber Assessment Framework

Summary of workstream

The Cyber Assessment Framework (CAF) is a tool developed by the UK's National Cyber Security Centre. It provides a systematic and comprehensive approach to assessing whether an organisation is properly managing different cyber risks. MHCLG has funded a series of pilots to explore the possibility of rolling out CAF across the local government sector, and to develop support tools for councils.

Process Evaluation: The pilot approach worked well, with each phase building on lessons from the last. Some councils faced difficulties completing the CAF, mainly due to limited time, skills, or buy-in - but these challenges were expected as part of testing the model. No major delivery problems were reported.

Impact Evaluation: The main goal was to support future rollout of the CAF. As this rollout is still ongoing, it is too early to assess final outcomes. However, the pilots showed that the model could be successfully adapted, suggesting it is moving in the right direction. There was not yet evidence that it has improved cyber resilience. Councils stated they would not have completed a CAF assessment without the intervention.

Value for Money Evaluation: There is currently no data available to complete a comprehensive VfM assessment, but the intervention has demonstrated early signs of value. It has supported councils in identifying cyber resilience gaps and has led to iterative improvements in the delivery model, contributing to a more effective rollout across the sector as intended.

- 4.0.1. This chapter presents the key Process, Impact, and Value for Money evaluation findings for the Cyber Assessment Framework (CAF).
- 4.0.2. The CAF, developed by the National Cyber Security Centre (NCSC), provides a sector-agnostic framework for improving cyber resilience through standardised practices.
- 4.0.3. The adoption of CAF is a key element of the Government Cyber Security Strategy 2022–2030, and MHCLG has been working to explore its application across local authorities in England. MHCLG launched a series of pilots to do this,
- 4.0.4. **Initial CAF 10 Pilot:** Ten councils were selected to complete a CAF self-assessment across their organisations, supported by £20,000 in funding. The aim was to explore CAF's usability and relevance through user research.
- 4.0.5. **Future Councils:** As part of the Future Councils pilot, eight councils assessed three critical systems using CAF. Time constraints delayed completion, which occurred shortly before evaluation.
- 4.0.6. The evaluation focuses on the two initial CAF pilots. In addition to these, MHCLG has launched two further pilots.
- 4.0.7. **CAF 20:** Involved 20 councils completing the CAF assessment within four months, with staged funding totalling £50,000 awarded as they meet specific milestones.

- 4.0.8. **CAF Ready:** Offered over 200 councils £15,000 each to support preparatory work, including identifying critical systems and producing network architecture diagrams, ahead of the wider CAF rollout.
- 4.0.9. The workstream Theory of Change is included in Section 2 in the Appendix. This chapter presents the findings from the Impact, Process, and VfM evaluations for this workstream. The evaluation of CAF looks at the period between September 2022 – when the first pilot, CAF 10 was launched - and November 2023 – with the conclusion of the Future Councils CAF pilot. However, monitoring and evaluation activities continued until January 2025.
- 4.0.10. It should be noted that this workstream is still being delivered at the time of writing. As mentioned above, activities conducted following the two initial pilots are discussed as part of the evaluation of the workstream but are not within the scope of the evaluation.

4.1. Process Evaluation

- 4.1.1. This section summarises the main findings from the CAF Process Evaluation. Findings are grouped into three themes: (1) application and selection process, (2) delivery and execution of workstream activities, and (3) collaboration.

Application and selection process

- 4.1.2. **Pilot 1: Initial CAF 10 (September 2022 - December 2022):** MHCLG directly selected and invited councils to participate, ensuring a diverse mix in terms of type, size, geography, IT estate (e.g., in-house or shared services), cyber maturity, and involvement in the Cyber Support workstream. While this approach helped ensure a range of council contexts were covered, the voluntary nature of participation introduces a potential self-selection bias. Rather than financial incentives, councils were primarily motivated by a desire to shape the development of CAF, ensuring its relevance and feasibility - especially for smaller authorities that often struggle to comply with one-size-fits-all frameworks:

“Everyone just assumed that every council was large, had limitless amounts of resources and seemingly limitless amounts of money.”

- Representative from CAF participant council

- 4.1.3. **Pilot 2: Future Councils (April 2023 - November 2023):** Unlike the initial CAF pilot, the Future Councils pilot involved an application process where councils sought funding to improve both their cyber and digital maturity. While cyber maturity was a consideration, it was not the primary selection criterion. Participating councils were required to complete CAF and show progress across all objectives as part of their funding agreements. A

change in delivery partners early on limited access to insights about the application and selection process.

Delivery and execution of workstream activities

- 4.1.4. The delivery partner held a group onboarding session with council IT leads to discuss the respective pilot aims and timelines. They then carried out individual onboarding sessions to understand councils' strategic context and agree the scope of assessment for CAF against the Central Government profile. The CAF consists of four interdependent objectives (A: Managing risk, B: Protection, C: Detection, D: Minimising impact), applied either across the organisation or specific systems depending on the pilot. Objectives A and D were broader, while B and C were more system focused.
- 4.1.5. **Pilot 1: Initial CAF 10 (September 2022 - December 2022):** In the first CAF pilot, ten councils undertook organisation-wide self-assessments, supported by MHCLG materials. Councils reportedly lacked validation and self-assurance in their responses, finding it difficult to define organisational scope and essential functions consistently due to subjectivity. They noted the speed of delivery was ambitious, requiring extensive cross-functional engagement and external support.
- “I think one of the challenges is that there was an incredibly fast turnaround on it. That was probably a commitment that if we'd realised at the time was going to require that we'd have either not proceeded with the pilot or done it in a different way.”
- Representative from CAF participant council
- 4.1.6. Without formal compliance requirements or more substantial funding than the £20k received per council, motivation for thorough engagement was limited, with councils often treating it as exploratory and unclear on "completion". MHCLG also had limited time to validate self-assessments, impacting confidence in their accuracy. Despite these challenges, councils found CAF valuable and more comprehensive than previous frameworks, recognising the need for better contextual understanding and longer timeframes.
- 4.1.7. **Pilot 2: Future Councils (April 2023 - November 2023):** Following the initial pilot, the Future Councils pilot mandated participating councils, who received £750,000, to complete CAF against three essential functions. Defining the architectural scope of these functions proved challenging and time-consuming due to a lack of clarity and the complexity of council estates, significantly delaying engagement and completion. Only half of these pilot councils effectively engaged in CAF activities, with delivery partners noting that separating digital transformation from CAF could have improved engagement and outcomes. They also highlighted that the ambitious timelines and resource-intensive nature made the model too demanding for sector-wide scaling without adjustments.

- 4.1.8. **Pilot 3: CAF 20 and CAF ‘Ready’ (2024):** Key findings from the first pilot indicated that councils valued CAF for enhancing cyber security and prioritisation, though they faced challenges applying the assessment in day-to-day operations and lacked confidence, necessitating MHCLG guidance. In response, CAF 20 adopted a self-service model for assessing one essential function, offering £50,000 incrementally. Recognising challenges in defining essential functions, a parallel CAF ‘Ready’ programme launched, offering £15,000 to around 300 eligible councils for preparatory work like documenting critical systems and network architecture. Overall, the CAF pilots have successfully evolved their delivery model, introducing more targeted, scalable, and supportive approaches based on council experiences.

Collaboration, capability, and leadership engagement

Collaboration

- 4.1.9. While cross-council collaboration was not a core objective of the pilots, internal collaboration across departments and with third parties proved essential for effective CAF assessments. The initial pilot revealed varying internal engagement, often with individuals attempting assessments in isolation, highlighting the need for broader cross-functional input.

“So, it was predominantly down to myself to give it a go, which is how we tackled it rather than trying to expand it across the whole of the council.”

- Representative from CAF participant council

Leadership engagement

- 4.1.10. Councils demonstrated varying levels of organisational buy-in to cyber security, significantly influencing their ability to engage with CAF. Leadership engagement emerged as a critical factor, but a lack of understanding often limited participation.

“I think the challenge is going to be getting organisational understanding buy-in to [CAF] and getting a wider and not just IT contribution... engagement with senior leadership and risk is going to be the real challenge.”

- Representative from CAF participant council

- 4.1.11. Many senior leaders remained aligned with formally regulated frameworks like PSN, and CAF's unclear future regulatory standing discouraged investment, making leadership buy-in difficult to secure without mandatory compliance.

Capabilities

- 4.1.12. Although participant councils eagerly engaged in CAF pilots, limited leadership buy-in, resources, and budgets restrained their effective participation. Some viewed the self-

assessment as an additional overhead, limiting their time and resources.

“We just didn’t have the time to do that thorough assessment.”

- Representative from CAF participant council

- 4.1.13. Resource-stretched councils focused on select areas and heavily depended on MHCLG delivery partners for support. Despite these challenges, councils now benefit from improved centralised support, as MHCLG delivery partners have created educational resources and guidance, providing foundational assistance should CAF become a formal requirement.

4.2. Impact Evaluation

- 4.2.1. This section presents the Impact Evaluation of CAF. To do this, outcomes from the Theory of Change have been grouped into three outcome areas based on common themes. The following pages summarise our Impact Evaluation for each area and indicate the degree to which outcomes have been realised.

Outcome area 1. Understanding council risk posture and developing targeted improvement plans.

- 4.2.2. Through the workstream, councils were given an opportunity to use CAF to self-assess their cyber risk posture. In doing so, it was anticipated that they would identify which areas would be considered as high-risk and require improvement. Based on this, councils were expected to produce targeted remediation plans that have designated and realistic aims.

Evaluation findings

- 4.2.3. Councils typically use compliance frameworks like the Public Services Network (PSN) Code of Connection (CoCo) and the National Health Service (NHS) Data Security and Protection Toolkit (DSPT) as benchmarks. However, the ICO has stated that compliance with PSN CoCo is not necessarily sufficient to meet UK GDPR obligations. Similarly, the ICO views NHS DSPT as a self-assessment tool for security performance, but not equivalent to industry-wide standards (Information Commissioner Office, 2024).
- 4.2.4. The general view in the sector is, therefore, that CAF helped assess cyber maturity beyond minimum compliance by identifying gaps in risk posture. This was put clearly by one council:

“I guess something like the CAF does help to focus the mind (...) it builds up a gap analysis that you can then theoretically assess risk and priorities.”

- Representative from CAF participant council

4.2.5. However, the challenges identified in the delivery of the pilots as part of the Process Evaluation, might have limited its impact. During the first pilot, most councils approached CAF as a compliance exercise, with assessments typically led by IT teams and little input from senior leaders or other departments. Such an approach has the potential to introduce a biased view in some instances. Furthermore, the lack of external audits or reviews likely limited and restricted the accuracy and understanding of their cyber posture and identified high-priority areas.

“You’re effectively doing a self-assessment (...). So how much do you understand your organisation’s cyber posture?”

- Representative from CAF participant council

4.2.6. On the other hand, Future Councils benefitted from independent assurance and technical scoping, which improved the accuracy of self-assessments and highlighted critical weaknesses. Despite this, only two councils assessed all critical systems, and four councils did not complete the self-assessments. This was often attributed to councils lacking the technical documentation or evidence required to complete assessments thoroughly. Additionally, councils face challenges with obtaining ongoing board-level or equivalent support, or otherwise lack of senior security ownership. Such a stance would have had an impact on council ability to comprehensively understand their cyber risk posture. This explains the scores presented in Table 7.1.

Table 7.1. Future Council CAF self-assessment summary.

CAF Objective	Pilot 1	Pilot 2	Pilot 3	Pilot 4	Pilot 5	Pilot 6	Pilot 7	Pilot 8	Avg.
A. Managing Security Risk	79	67	46	42	27	21	9	0	36
B. Protecting against cyber attacks	96	73	77	0	9	0	23	0	35
C. Detecting cyber security events	96	0	53	0	26	0	41	0	27
D. Minimising the impact of cyber security incidents	77	64	87	14	50	91	14	0	50
Average	87	51	66	14	28	28	22	0	37

Explanatory note of Table 7.1. The table presents the percentage of measures completed across CAF objectives by each council chose to be a pilot as a part of the Future Council program.

4.2.7. Table 7.2. shows reported allocation of funding from Future Councils on cyber activity.

Table 7.2. Council allocation of Future Councils funding across cyber activities.

Activity type	Amount budgeted (£k)	Amount spent (as of March 2024) (£k)	Budgeted amount as a percentage of total (%)
Resource for CAF completion	499	234	41
Cloud migration	474	221	39
Consultancy services	81	68	7
Cyber hire	56	0	5
Business continuity and incident management	54	54	4
Security awareness training	25	0	2
Other	40	0	3
Total	1,230	577	

4.2.8. The overall low levels of completion across the CAF objectives (as seen in Table 7.2.) suggests a lack of cyber maturity in general. As a result, incident response capabilities across councils are likely to be immature. It is therefore notable that only one council allocated funding to improving their incident response and business continuity capabilities.

4.2.9. In this way, while councils have stated that they are motivated to improve against CAF, few translated these into structured improvement plans. The original CAF pilot did not require or incentivise action planning. Future Council participants received executive management reports outlining strategic recommendations, which supported some progress. As outlined above, four out of the eight councils did not fully complete their self-assessment, and so executive management reports were not formally produced for half of participants. For councils that completed CAF, there was a consensus that this reporting to senior leadership proved to be extremely useful:

“Having CAF helps play back to the organisation of what good looks like. Business Continuity and Governance helps with senior leaders and what good looks like, why resources, money etc. needs to be spent on things.”

- Representative from CAF participant council

“Obtaining funding for things like Microsoft E5 security licences, Microsoft Sentinel Security Information and Event Management (SIEM) server, external SOC and all that sort of thing was coming about as a result of these conversations which we were having in the CAF.”

- Representative from CAF participant council

- 4.2.10. Overall, while CAF raised awareness and surfaced systemic risks, the evidence collected shows that few councils had the capacity, expertise, or motivation to develop and implement targeted improvement plans without further intervention.
- 4.2.11. In terms of additionality, the intervention has clearly supported councils to complete the CAF. This can be seen by the challenges councils faced in completing the CAF within the intervention, combined with the lack of evidence of CAF completion outside of the intervention. Given that the completion of CAF is an important factor in a council understanding their comprehensive risk posture, our analysis is that the intervention's additionality in this area has been high.

Analysis of findings

- 4.2.12. **Achievement score:** Low. Of the eight councils in the Future Councils pilot, only two completed full self-assessments of all their critical systems, and four did not complete the self-assessment for any of their critical systems. Although councils participating in both CAF pilots have reported that the self-assessment helped them to better understand their cyber posture, they also reported struggling to translate findings into actionable improvement plans. Most Future Council participants did not allocate funding to areas such as incident response or skills development, suggesting limited progress towards proactive cyber risk management.
- 4.2.13. **Confidence score:** Low to Medium. Future Councils pilot CAF completion data has been reported by the workstream delivery partner for all participating councils. However, information on remediation actions taken following the CAF is self-reported by participating councils, which include 50% of Future Council participants, and 40% of CAF 10 councils.

Outcome area 2. Identifying and understanding council cyber needs and priorities.

- 4.2.14. As part of the CAF process, councils were given opportunities via different channels to give feedback on their experiences to MHCLG workstream delivery partners. These methods were anticipated to allow MHCLG to adapt the CAF delivery model to best support sector adoption.

Evaluation findings

- 4.2.15. MHCLG has taken a phased and responsive approach to understanding council cyber needs, using successive CAF pilots to surface challenges and adapt accordingly. As explored in the Process Evaluation, early findings from the CAF 10 pilot highlighted confusion around the scope of self-assessment, particularly the definition of essential functions, and a general lack of technical documentation and internal expertise. These issues informed the design of the Future Councils pilot, which narrowed the scope to

three critical systems, introduced architecture discovery exercises, and provided more hands-on support.

- 4.2.16. Despite improvements, councils continued to face challenges, especially accessing evidence and Business Impact Assessments (BIA) documentation to inform council perspectives on the criticality of their systems. This led to significant support required from delivery partners.

“They had five people having 10, two-hour workshops, so 100 hours of effort, to be able to complete Objective B on three critical systems. So that just showed how much work they had put into it.”

- Workstream Delivery Partners, MHCLG

- 4.2.17. As a result of this and other challenges related to the Future Councils support, ‘Get CAF Ready’ was deployed in Spring 2024. This most recent intervention supports clearer scoping, incentivises documentation, and aims to standardise delivery. MHCLG’s iterative learning across pilots has helped surface local capability gaps, guide policy decisions, and inform more tailored support offers.

- 4.2.18. While it is not yet possible to determine whether the support and guidance provided by MHCLG will be sufficient for the full roll-out of CAF across the sector, as the intervention is still refining its approach, the iteration of support provided as part of CAF pilots in response to feedback demonstrates a positive trajectory. Pilot insights have consistently been used to inform and improve the strategy. This includes learnings about the tools and resources that MHCLG can provide to best support councils completing the CAF.

- 4.2.19. In terms of additionality, it is unclear whether, in the absence of the intervention, MHCLG could have developed a more effective approach to rolling out the CAF across the sector. However, evidence from the Impact Evaluation indicates that the intervention has been instrumental in supporting MHCLG’s design of the framework rollout, leading us to conclude that additionality in this area is also high.

Analysis of findings

- 4.2.20. **Achievement score:** Medium to High. MHCLG has made significant progress in understanding council cyber needs, with feedback from pilot phases helping to refine the approach. Although challenges remain, the continued adaptation of support and guidance indicates positive progress towards effective CAF roll-out across the sector. In particular, the roll out of ‘Get CAF Ready’ shows how MHCLG has developed a deeper understanding of councils’ needs, and how they can be better supported at scale.

- 4.2.21. **Confidence score:** High. This assessment is supported by consistent engagement with the CAF delivery team and clear documentation of progress across pilot phases.

Outcome area 3. Integration, adoption, and implementation of CAF across local government

- 4.2.22. The intervention aimed to drive adoption of the CAF across the local government sector. It was also expected to improve clarity and understanding of how the CAF fits within the broader landscape of frameworks that councils follow.

Evaluation findings

- 4.2.23. Local authorities have a multitude of central government regulatory compliance requirements they are mandated to comply with for cyber security. Therefore, while they are intrinsically motivated to improve their cyber posture, they suffer from compliance apathy. Integration and conflation have been identified therefore as a big problem for councils as they lack resources, capabilities and funding which results in cyber assessment frameworks becoming an excessive overhead due to the many-to-many relationship with Whitehall. As a result, local authorities seek a standardised framework which they can align to and use as a foundation, of which CAF was positively received:

“I just wish I could say to all the other councils ‘Hey, look at [CAF]. Start this journey now.’ (...) Even if you can’t do it now, use this as the foundation.”

- Representative from CAF participant council

- 4.2.24. Such reasons may explain why relatively few councils have adhered to recognised security standards or accreditations such as Cyber Essentials (DSIT, 2024b). It was cited by councils that PSN is often treated as the de facto cyber security standard in which they benchmark and adhere themselves to. However, the ICO stated that frameworks such as PSN CoCo and NHS DSPT are not equivalent to industry-wide standards and not sufficient to discharge UK GDPR obligations (Information Commissioner Office, 2024).
- 4.2.25. Despite the intention from councils to align with CAF, the lack of certainty around the future status of CAF has restricted local authorities from being able to formally adopt and integrate the framework with their existing regulatory requirements as they are unable to justify the investment to senior leadership teams.
- 4.2.26. The effectiveness of CAF’s roll-out in providing councils with clarity on its alignment with existing frameworks cannot yet be fully assessed, as the intervention is ongoing. However, both pilots revealed that councils lacked clear strategies for reconciling compliance across multiple regimes. Councils are more likely to advocate for CAF adoption if other standards are decommissioned, positioning CAF as the definitive industry standard. The expanded use of CAF, now central to GovAssure - replacing the cybersecurity elements of DSHC and PSN - and its upcoming role in replacing DSPT for the NHS, signals a positive trajectory. This is also reflected by the fact that approximately 238 councils are currently completing the CAF.

Analysis of findings

- 4.2.27. **Achievement score:** Medium. Evaluation findings suggest that the workstream has contributed to position the CAF as the sector’s reference framework. Although uncertainty around compliance requirements was reported as a key barrier to integration, widespread adoption of the CAF across the sector following the latest pilots signals a positive trajectory, supported by so many councils currently completing the CAF.
- 4.2.28. **Confidence score:** Low to Medium. The evaluation is based on self-reported information from participating councils, which include 50% of Future Council participants, and 40% of CAF 10 councils. This small sample size undermines confidence in findings.

Impact Evaluation discussion

- 4.2.29. Table 7.3. provides a summary of the extent to which each outcome area has been achieved, along with confidence levels based on the available evidence.

Table 7.3. Overview of Cyber Assessment Framework outcomes

Area	Evidence summary	Achieved	Confidence
Outcome area 1. Understanding council risk posture and developing targeted improvement plans.	Only two of eight Future Councils completed full CAF self-assessments, while half did not assess any critical systems. Across Future Councils and CAF 10 qualitative evidence from 50% and 40% of participants respectively suggests that they struggled to translate findings into actions	Low	Low to Medium
Outcome area 2. Identifying and understanding council cyber needs and priorities.	The CAF pilot design reflects iterative learning from earlier phases, including CAF 10, Future Councils, CAF 20, and CAF Ready. However, as the intervention is still ongoing, it remains too early to assess the success of the full roll-out.	Medium to High	High
Outcome area 3. Integration, adoption and implementation of CAF across local government.	Evaluation findings suggest that the workstream has contributed to position the CAF as the sector’s reference framework. However, uncertainty around compliance requirements remains a barrier to integration.	Medium	Low to Medium

Theory of Change discussion

- 4.2.30. The Impact Evaluation assessed the assumptions in the CAF Theory of Change. A key challenge identified relates to the assumption that completing the CAF would lead to councils developing improvement plans. So far, there is no evidence that councils have created such plans solely based on CAF findings. This indicates that, without additional support, completing the CAF may not be enough for councils to take further action. As a result, MHCLG are currently working with councils to develop improvement plans.

4.3. Value for Money

- 4.3.1. This section presents the VfM evaluation of the CAF across economy, efficiency, and effectiveness.

Economy and efficiency

- 4.3.2. The CAF workstream aims to support widespread adoption of the CAF across local government. Although ongoing, early evidence suggests good progress, with approximately 238 councils currently completing the CAF. This indicates positive momentum toward sector-wide implementation.
- 4.3.3. However, there are still questions around consistency and completeness. Of the four Future Councils that submitted CAF assessments, only two covered all critical systems. This highlights variability in implementation standards. Although newer iterations of the CAF aim to increase standardisation, it is too early to determine whether most councils will complete the CAF to a consistent and acceptable level.
- 4.3.4. Qualitative findings point to strong additionality: councils reported they would not have pursued the CAF without support from this workstream. This suggests that the delivery model has been effective in prompting action that would not have occurred otherwise. Similar outcomes were observed in the NHS's Data Security and Protection Toolkit (DSPT), which saw compliance rise from 18% to 80% after central support was introduced - reinforcing the value of centrally guided interventions (DHSC, 2018). Given that CAF represents a more detailed and thorough self-assessment than most participating councils had previously, there is high additionality from CAF's impact.
- 4.3.5. A cost comparison was used to assess delivery efficiency, estimating the costs for councils completing the CAF using MHCLG-developed assets versus external consultancy support in Table 7.4.

Table 7.4. Comparison of estimated costs associated with MHCLG and non-MHCLG intervention.

Scenario	Individual council costs (£k)
CAF completion costs with MHCLG-developed assets	6.7
CAF completion costs with consultancy support	13.3

Explanatory note of Table 7.4. MHCLG cost estimates are based on 40 days of staff time (13 senior, 27 junior) as outlined in the CAF for Local Government guidance, with input from cyber professionals (Government Security, 2025). Consultancy costs were calculated using average day rates from G-Cloud 14 suppliers offering NCSC CAF assessments (Digital Marketplace, 2025). A 12-day consultancy duration was assumed, based on a consultancy's pricing for a full CAF audit for a mid-sized organisation. This was cross validated with cyber experts. Additional council staff time (5 days junior, 1 day senior) was also factored into the consultancy scenario.

- 4.3.6. As shown in Table 7.4, completing the CAF using MHCLG-developed assets appears more cost-effective for councils than relying on external consultants. While this points to potential cost savings, it is not used for a formal BCR calculation due to several uncertainties. These include a lack of data on how many councils have fully completed the CAF with MHCLG support, whether they would otherwise have used consultants, and the fact that CAF completion is not mandatory. Additionally, without MHCLG's version, councils may have adopted the NCSC's CAF, which could carry different costs.
- 4.3.7. Nonetheless, if current trends continue and widespread adoption of the CAF is achieved, this cost comparison supports the case that the workstream offers an efficient route to its intended outcomes, assuming consistency in council-level costs over time.

Effectiveness

- 4.3.8. To evaluate the effectiveness of CAF, a cost-benefit analysis considered all the costs and benefits associated with the intervention.

Costs

- 4.3.9. Table 7.5. outlines all the cost information gathered from the CAF workstream.

Table 7.5. Overview of CAF costs (real).

Cost types	Incurred by	Total (£m)
Direct grant funding costs	MHCLG	4.4
Consultancy costs	MHCLG	9.3
Staff costs	MHCLG	0.8
Unfunded council costs related to completing the CAF assessment and acting on its cyber recommendations	Councils	Non-monetised
Total	MHCLG and Councils	14.5

Benefits and VfM discussion

- 4.3.10. The CAF workstream aimed to improve cyber resilience by improving councils' understanding of their cyber posture and developing internal cyber capabilities. While this ToC remains plausible, there is limited evidence so far that these aims have translated into measurable improvements. Some councils reported lacking the budget or leadership buy-in to act on identified gaps, limiting CAF's practical impact. As discussed in the Impact Evaluation progress across the outcome areas has been mixed:

- Outcome 1 (understanding risk posture and planning): Low
- Outcome 2 (identifying cyber needs and priorities): Medium to High
- Outcome 3 (sector-wide CAF integration): Medium

4.3.11. The anticipated benefits of the workstream include:

- Improved understanding of cyber risks (evident in some councils following completion of the self-assessment and receipt of tailored recommendations).
- Reduced cyber risk and avoided attack-related costs (currently unproven but assumed that this will be a consequence of improved understanding of cyber risks).
- Upskilling of internal teams (self-reported by some councils following completion of self-assessment, but not consistent evidence available).

4.3.12. Given early progress and data gaps, a definitive VfM judgement of the CAF workstream is premature. Future assessments should revisit this once more outcomes and evidence emerge. Stronger monitoring requirements would improve the feasibility of evaluation. As with the Future Councils workstream, the VfM assessment currently relates primarily to the effectiveness of the delivery of the intervention. In both cases, there is a high degree of confidence in the assessment of the effectiveness of the delivery of the workstream, and how this might impact VfM.

4.4. Research questions discussion

Process: How efficiently was the intervention delivered, and what factors influenced its implementation across different councils?

4.4.1. The pilot approach worked well, with each phase building on lessons from the last. Some councils faced difficulties completing the CAF, mainly due to limited time, skills, or buy-in - but these challenges were expected as part of testing the model. No major delivery problems were reported.

Process: To what extent did the process build collaboration, leadership, and capability? To what extent did it address economic growth challenges?

4.4.2. Collaboration was not a focus of the intervention and there is no evidence that suggests it was achieved. There was some evidence of increased leadership cyber buy-in, due to MHCLG's endorsement of the CAF. The sample of councils that participated was too small to make any assessment regarding council representation.

Impact: To what extent did the intervention lead to the intended outcomes, and who was impacted? Has the intervention resulted in any unintended outcomes?

4.4.3. The main goal was to support future rollout of the CAF. As this rollout is still ongoing, it is too early to assess final outcomes. However, the pilots showed that the model could be successfully adapted, suggesting it is moving in the right direction. There was not yet evidence that it has improved cyber resilience.

Impact: How much of the observed change can be attributed to the intervention, and what other factors influenced the outcomes?

- 4.4.4. Councils stated they would not have completed a CAF assessment without the intervention. While wider factors such as the CAF's growing status as a sector standard, and increased cyber threats also played a role, these alone were unlikely to have driven outcomes.

VfM: What are the benefits and costs of the intervention? Do the benefits outweigh the costs?

- 4.4.5. There is currently no data available to calculate a BCR, but the intervention has demonstrated early signs of value. It has supported councils in identifying cyber resilience gaps and has led to iterative improvements in the delivery model, contributing to a more effective rollout across the sector as intended.

Lessons learned

- 4.4.6. **Council capabilities:** Councils lack inherent technical cyber capabilities and resources to scope critical systems and IT architecture. Their unfamiliarity with CAF's outcome-focused approach means they require subject matter expertise to interpret and translate its requirements into application, necessitating external validation for accurate cyber risk posture assessment. This should be considered as part of the roll-out.
- 4.4.7. **Lack of workstream mandate:** Without mandatory and centralised empowerment, pilot success depended on council willingness, but early commitment often diminished. This stemmed from the realisation of required effort, competing demands, and no adverse consequences for poor performance, negatively impacting assessment quality and the development of improvement plans.
- 4.4.8. **Sustainability:** Monetary solutions alone may not ensure long-term sustainability for CAF implementation, as council capabilities are limited, and resources stretched. This makes CAF challenging and costly for councils to implement. Further central government support and guidance are essential for successful sector-wide CAF adoption and to ensure councils can meet its requirements.
- 4.4.9. **Compliance apathy and competing frameworks:** Councils generally view the CAF as a valuable benchmark, but its unclear regulatory status makes it difficult to justify investment without formal mandation. Without C-suite ownership, cyber security often remains siloed within IT teams, with risks not embedded across council operations. This contributes to inconsistent CAF adoption and compliance apathy, particularly if it is seen as an additional burden. Future success will depend on clearer positioning and streamlined support, even in the absence of mandates or financial incentives.

5. Training

Summary of workstream

Since 2018, MHCLG has offered a number of training offers to councils as part of the Local Digital programme. This has included (1) a Training Library with links to external resources, (2) Agile Training for council staff, and (3) an Executive Education programme for senior local government officers.

Process Evaluation: There was high demand for Agile Training, where places were limited, and there was no mechanism to ensure that they were allocated across the entire sector. The Executive Education Programme also struggled to secure participation from senior leaders, limiting its reach and effectiveness.

Impact Evaluation: The intervention reached around 44% of councils, but did not lead to widespread adoption of Agile or digital skills across the sector. Knowledge remained concentrated among individuals, with limited organisational uptake. Leadership engagement was minimal, and the scope of the training limited its impact. Nonetheless, the training did increase individual confidence in Agile practices.

Value for Money Evaluation: There is no robust data to quantify benefits, and confidence gains are difficult to monetise. While Agile Training offered some individual value relative to market costs, the programme did not achieve its broader aims, such as sector-wide leadership change. As a result, it likely did not deliver good value for money at the sector level.

- 5.0.1. This chapter presents the key Process, Impact, and Value for Money evaluation findings for the Training workstream.
- 5.0.2. The Training workstream aimed to build digital leadership and delivery skills across the sector, by providing a range of different capability support offers.
- 5.0.3. Following the closure of the GDS Academy in 2022, MHCLG developed two training offers, addressing different capability areas.
- 5.0.4. **Agile Training:** Bespoke two-day sessions delivered between November 2022 and September 2023 for council officers, focused on digital and Agile ways of working.
- 5.0.5. **Executive Education Programme:** Aimed at senior officers, this webinar - delivered in February 2023 in collaboration with the Amazon Web Services (AWS) Institute and Socitm - supported leadership development in digital transformation, with around 250 attendees.
- 5.0.6. A third offer, the Training Library, provides online courses through external providers. However, this was excluded from evaluation due to inconsistent usage data and lack of insight into learner engagement.

- 5.0.7. The Training workstream stands apart from other Local Digital programme workstreams as it targets individual council staff rather than councils as organisations, requiring a shift in the unit of analysis for evaluation. The workstream Theory of Change is included in Section 2 in the Appendix. This chapter presents the findings from the Impact, Process, and VfM evaluations for this workstream.
- 5.0.8. The evaluation of the Training workstream looks at the period between November 2022 and September 2023. This encompasses both the delivery of the Agile Training, and the Executive Education Programme. However, monitoring and evaluation activities continued until January 2025.

5.1. Process Evaluation

- 5.1.1. This section summarises the main findings from the Training Process Evaluation. Findings are grouped into three themes: (1) application and selection process, (2) delivery and execution of workstream activities, and (3) collaboration.

Application and selection process

- 5.1.2. Both the Agile Training and Executive Education Programme were advertised through MHCLG's usual communication channels, including newsletters, the Local Digital website, and social media. Interested participants were invited to register through online forms. The following summarises the rationale and selection approach for each intervention.
- 5.1.3. **Agile Training:** The Agile training aimed to upskill one staff member per council in Agile methodologies, which encourage an iterative approach to project management. The MHCLG programme's training was agnostic to council members' roles. Between November 2022 and September 2023, 397 individuals from various council types participated. However, the goal of training one person per council was not met, as the training fell short of garnering sufficient interest from enough participants. Over 60 participants from the Local Digital Fund and Future Councils participated in six courses run between May and June 2023, likely due to their prior alignment with the Local Digital programme.
- 5.1.4. With only 12 places per course and no clear selection criteria, over 150 people faced waiting lists of 1-3 months, with over 100 stopping responses to invitations. Some participants waited 8-12 months for training between July and September 2023. This level of unmet demand showed that the workstream was unable to fully meet council's needs. The lack of a clear selection process meant that those who might have benefited most from an organisational perspective were not prioritised, potentially diminishing overall impact.

5.1.5. **Executive Education Programme:** This workstream specifically targeted leaders in local government such as chief executives, executive directors, directors, assistant directors, chief digital/IT officers and their direct teams. However, only 38% of attendees over the three days held job titles indicating they were the target audience from "most senior levels of local government". In 2023, staff from 199 councils registered, out of these 100 councils did not attend. Only 15% (48/314) of registrants attended all three days, and of these, only 44% (21/48) held senior leadership titles.

5.1.6. Newsletters advertising the programme went out to everyone, regardless of role or seniority, which may have discouraged senior staff from applying. While initial registrations came from senior leaders, only 38% attended, possibly due to invites being forwarded to their teams. In contrast, the 2019 Local Leaders Digital 'Accelerator' programme, an earlier programme delivered by GDS Academy, with MHCLG support, saw significantly higher senior leadership attendance, with 67% (51/76) holding senior titles.

Delivery and execution of workstream activities

5.1.7. **Agile Training:** The Agile course aimed to shift councils away from traditional project management by introducing Agile principles. The course offered a broad overview of Agile but was widely acknowledged by delivery staff as an introductory rather than in-depth training.

"To be fair, it should be referred to as an introduction to agile. It is not agile training, nobody will do these two days and come away being able to do anything."

- Local Digital delivery staff

5.1.8. Participant feedback varied. For those unfamiliar with Agile, the course was informative and thought-provoking. However, more experienced attendees found it basic. Here are examples of both these scenarios respectively:

"It's genuinely changing the way I'm thinking about working practice, which is really unusual that you get an opportunity to offer a 2-day training course to do that."

- Senior Economic Development and Regeneration Officer, District Council

"The only thing I'll say is, it was probably a bit more basic than some of the training that we've done. That's not necessarily a bad thing because it's always good to go over those basics, to have a refresh. I would just say that it was more of a basic level."

- Digital Programme Manager, Combined Authority

5.1.9. Delivery staff raised concerns that the course content felt generic and lacked adaptation to local government context, with some materials resembling pre-existing GDS slides. Furthermore, although course capacity increased from 12 to 15 participants in late 2023, the rationale for strict virtual caps remained unclear, especially given long waiting lists.

Finally, jargon and insufficient foundational context were identified as barriers for beginners.

5.1.10. It should be noted that the shortcomings listed here can only partly be attributed to the delivery partner, and that it contrasts with the experience of most participants that were contacted over the course of the Process Evaluation. Concerning the former, our conversations with Local Digital staff revealed that the expectations were not communicated as clearly as they could have been, whereas concerning the latter, participants' general sentiment was that they were satisfied with the course. For future iterations, a clearer communication of expectations would therefore be beneficial, as well as a closer monitoring of the delivery to request iterative changes if necessary.

5.1.11. **Executive Education Programme:** The Executive Education Programme was designed as a virtual webinar over 3 half-days, comprising modules on digital transformation led by a total of 20 speakers across local government sector organisations and councils. In 2022, the Programme was led by AWS and MHCLG, and by AWS, MHCLG and Socitm in 2023. On the Local Digital website, it was described as a "training programme" with live interactive Q&As and workshops. However, upon reflection, Local Digital staff believe that the name given to this training offer did not accurately represent the type of support it provided:

"I think the naming is very misleading. It's not an education programme for executives for 2 reasons: One is a series of webinars and workshop discussions which isn't education. And secondly, only about a third of people when you look at the job titles were in senior roles..."

- Local Digital delivery staff

5.1.12. Overall, the programme was well received, especially for its focus on peer-led insights rather than vendor case studies.

"I was pleased that it wasn't just a stream of suppliers just giving a case study of why we should use them because, it was much more about that learned experiences of others, which is always the most helpful."

- Director Customer Service Delivery, District Council

5.1.13. However, without a clear call to action or continued engagement structure, opportunities for long-term impact or collaboration appeared limited.

Collaboration, capability, and leadership engagement

Collaboration

5.1.14. Both the Agile training and Executive Education Programme were designed to foster networking and collaboration between local authorities via virtual delivery. This was

encouraged through breakout rooms and interactive discussion sessions. The Agile training made deliberate efforts to sustain post-course collaboration by keeping online channels active beyond course completion. A follow-up survey sent to Agile training participants who attended up to December 2023 asked whether Agile ways of working had improved collaboration. Out of 19 responses to this question, 14 were positive.

“Working in an agile way has helped us to collaborate much more flexibly with external organisations.”

- Digital Inclusion Ambassador, London Borough

- 5.1.15. Despite these short-term collaborative benefits, there is no strong evidence of sustained peer networks or partnerships forming as a result of the training. Without a structured post-programme strategy or a clear call to action, the workstream’s efforts to enable long-term collaboration appear to have had limited traction.

Capability and leadership engagement

- 5.1.16. Interviews consistently highlighted that leadership engagement is essential for building digital capability within councils. Without senior-level support, training alone is unlikely to lead to meaningful cultural or organisational change:

“When talking more about general training needs across about a dozen or so councils, it became clear that without the mandate from the top, very little was going to change in an organisation in terms of both culture and prioritisation.”

- Local Digital delivery staff

- 5.1.17. While the open-access and voluntary nature of the training ensured inclusivity, it meant that senior leaders not interested in digital transformation - but who are best positioned to embed change - often did not attend. This created a missed opportunity to foster leadership-driven transformation. Several interviewees noted the self-selecting nature of participation - those most in need of digital leadership training were often the least likely to attend.

“I think the training attracts the people that are interested anyway. It’s not mandatory that all chief executives must attend a digital transformation session (...) I don’t know what exposure is given to the senior leaders that aren’t so interested.”

- Chief Information Officer, Unitary authority

- 5.1.18. Finally, from a capability and leadership engagement point of view, 145 councils (44% of the sector) participated in the workstream, which means that the efforts of the Training workstream did not reach the entire sector.

5.2. Impact Evaluation

- 5.2.1. This section presents the findings from the Impact Evaluation of the Training workstream. To do this, the outcomes from the Theory of Change have been grouped into two outcome areas based on common themes. The following pages summarise our Impact Evaluation for each area and indicate the degree to which outcomes have been realised.

Outcome area 1. Senior leaders prioritise digital transformation programmes and play a key role in their implementation.

- 5.2.2. The Training workstream recognised that establishing modern ways of working requires support by senior leadership, as they can make decisions about resource allocation and structural changes within the council. To facilitate this, senior leaders were offered webinars about digital transformation. The aim of this was to bring senior leadership to prioritise digital transformation projects and to actively involve themselves in their facilitation.

Evaluation findings

- 5.2.3. The Executive Education programme was the principal mechanism for supporting senior leaders on their digital transformation journey. The Process Evaluation revealed that the Executive Education programme was neither reaching far enough in terms of scope and depth of content, nor in terms of number of participants it managed to recruit. Therefore, the Training workstream cannot be seen as impactful and achieving this intended outcome.

Analysis of findings

- 5.2.4. **Achievement score:** Not achieved. No evidence has been found of this as part of the Impact Evaluation.
- 5.2.5. **Confidence score:** Low. Based on the evidence collected from all interviews with participants (8/48 attendees), and the review of the scope of the Executive Education Programme. This small sample size undermines confidence in the findings.

Outcome area 2. Council staff increase knowledge about digital transformation and put that knowledge into practice.

- 5.2.6. The Agile had the goal of upskilling the participants. Thus, the expectation was that their knowledge of the subjects covered in the course would increase as a direct result of their participation, and they would spread this knowledge across the local government sector.

Evaluation findings

- 5.2.7. The second outcome can be more clearly assessed through the administered surveys. Here, there are encouraging results that speak to the effectiveness of the Agile training courses, as can be seen in Table 8.1.

Table 8.1. Survey results before and after Agile training.

Question	Mean Before Course	Mean After Course
How confident would you be outlining some of the benefits of Agile delivery?	2.70	3.96
How confident would you be outlining some of the differences between Agile and Waterfall approaches to project management?	2.68	4.15
How confident would you be outlining some of the differences between 'Scrum' and 'Kanban' methodologies within the context of Agile delivery?	1.99	3.81

Explanatory note of Table 8.1. n = 135 completed surveys before the course, n = 91 completed surveys after the course. There was not enough identifying information to treat the observations as paired. Therefore, differences in variances were checked for, before comparing means.

- 5.2.8. It is apparent that the mean values for all three questions, which can range from 1 to 5, have substantially increased across participants of the Agile Training course. Our tests have shown that these differences are statistically significant, meaning that they are unlikely to be due to chance.
- 5.2.9. The survey administered three months after participation in the Agile training yielded a relatively low response rate (39 participants) and is thus not suited for statistical analysis. However, it featured several open questions that provide further insights into the training's effectiveness, and particularly its sustainability.
- 5.2.10. In large parts, respondents reported that they were fairly successful with employing Agile methods as a replacement to 'waterfall' approaches and that this indicates an overall positive development for project and product management:
- “The benefit of having a working prototype sooner has better value than a robust specification which doesn't allow for scope creep.”
- Survey participant
- 5.2.11. Notwithstanding these successes, many respondents shared significant concerns about the lack of adoption of Agile methods within the wider organisation - which echoes the Process Evaluation's findings that only a small number of employees benefited from the training offerings. This is particularly the case when training participants were unable to

own the entire end-to-end digital delivery process, and were therefore unable to maximise the impact of Agile methods, as the following quote illustrates:

“We can only use aspects of Agile. Our IT provider work in a waterfall method which makes it difficult to implement Agile when their support is needed for digital projects.”

- Survey participant

5.2.12. Perhaps unsurprisingly considering these challenges, the overwhelming majority of respondents also reported that they are typically only using individual aspects of the Agile delivery framework rather than the entire methodology. There is no clear picture on which aspects of the framework have been successfully deployed with some respondents mentioning ‘Scrum’, and others mentioning that they have used parts of the Agile methodology to speed up decision-making.

5.2.13. Finally, when being asked about collaboration, there were several responses (14/39) voicing a positive sentiment. Some of these hinted at a positive cultural change that has implications for the organisation beyond project management, aligning with the Local Digital programme’s overall goal of creating a new paradigm in the local government sector. The following example illustrates how there have been changes in how employees view themselves and their role within the council:

“The focus on value and practical action has helped shift people out of a transactional ‘provider/consumer’ approach to working across teams.”

- Survey participant

5.2.14. Based on the results described here, it is likely that individual training was effective and increased the participants’ understanding of various aspects of modern ways of working, especially relating to Agile delivery management techniques, such as ‘Scrum’ or ‘Kanban’. However, even though individual employees managed to sustainably integrate modern ways of working into their daily routines, there are substantial barriers to their wider integration.

5.2.15. In terms of the number of staff participating, the Process Evaluation’s analysis revealed that only a small fraction of council staff had the opportunity to participate in digital skills training. This was caused through a mixture of limited advertisement of the training among council staff and training capacities. Therefore, interested council staff often had to wait a long time to participate in the Agile training courses.

5.2.16. Finally, in terms of additionality, as part of the survey, councils were asked: “If you had not attended MHCLG’s Agile training, would you have been able to attend another similar course, either funded by your council or another third party?”. To this, 67% of councils (60/89) responded ‘No.’ This suggests that participants would likely not have developed this knowledge outside of the intervention, leading us to conclude that the additionality of the training is high.

Analysis of findings

- 5.2.17. **Achievement score:** Medium. Although survey results show that council staff have improved confidence in their knowledge of Agile as a result of the programme, there is no evidence that suggests they have been able to share and apply these skills widely across their organisations, or that the intervention has led to increased participation in digital skills training.
- 5.2.18. **Confidence score:** Medium. Based on self-reported survey data and supporting evidence from a larger sample through qualitative interviews.

Impact Evaluation discussion

- 5.2.19. Table 8.2. provides a summary of the extent to which each outcome area has been achieved, along with confidence levels based on the available evidence.

Table 8.2. Overview of Training outcomes.

Area	Evidence summary	Achieved	Confidence
Outcome area 1. Senior leaders prioritise digital transformation programmes and play a key role in their implementation.	No evidence was provided by the 16% of Executive Education Programme attendees interviewed to suggest that this outcome area has been achieved.	Not achieved	Low
Outcome area 2. Council staff increase knowledge about digital transformation and put that knowledge into practice.	Pre- and post-training surveys show a 64% average increase in self-reported confidence in Agile skills, based on responses from 23% of participants (91 out of 397). Qualitative evidence suggests councils struggle to extend these skills beyond digital teams.	Medium	Medium

Theory of Change discussion

- 5.2.20. The Impact Evaluation identified two key areas where assumptions within the Training Theory of Change did not fully hold, limiting the achievement of intended outcomes.
- 5.2.21. **Limited reach and dissemination of learning:** It was assumed that delivering Agile training to small cohorts of council staff would result in wider knowledge sharing across their organisations. In practice, the scale of the training offer was too limited to enable meaningful dissemination or influence broader organisational change. Without broader participation, councils were unable to embed learnings or apply them across multiple projects and teams.
- 5.2.22. **Leadership engagement in digital transformation:** The Theory of Change expected that the Executive Education Programme would empower senior leaders to prioritise and

lead digital transformation efforts. While leadership buy-in remains critical, the programme’s narrow reach and one-off delivery model did not provide sufficient scale or continuous support to shift leadership behaviour or drive strategic change across councils.

5.3. Value for Money

5.3.1. This section presents the VfM evaluation of the Training workstream across economy, efficiency, and effectiveness.

Economy and efficiency

5.3.2. Findings from the Impact Evaluation suggest that the scope of the Executive Education Programme was not large enough to drive meaningful change of leadership attitudes towards digital. Similarly, the scope of the Agile training - which targeted individuals within councils – was deemed limited considering its goal of driving widespread adoption of these practices across the sector. This was both because of the introductory nature of the course, and the difficulties participants encountered to drive adoption beyond digital teams, and across their organisations. These findings suggest that the model adopted by the intervention was not successful in helping to achieve intended outcomes.

5.3.3. To assess cost efficiency, the Agile training’s average cost per participant (£1.4k) was benchmarked against similar external online training courses (8–15 hours in length) within the Digital, Data, and Technology (DDaT) market (see training courses used in Section 12 in the Appendix). Although these alternatives differ in specific content and context, they provide a useful reference.

Table 8.3. Agile Training cost comparison.

Course	Price per trainee (£k)
Local Digital Agile Training	1.4
Alternatives (average)	1.8

5.3.4. This suggests that the costs of the training may be lower than the average identified in the external benchmark. While the workstream’s design did not successfully achieve its broader objectives of sector-wide Agile adoption or leadership transformation, the expenditure on Agile training appears to have been cost-efficient when measured against sector benchmarks and the outputs delivered.

Effectiveness

5.3.5. To evaluate the effectiveness of the Training workstream, a cost-benefit analysis considered all the costs and benefits associated with the intervention.

Costs

5.3.6. Table 8.4. outlines all the cost information gathered from the Training workstream.

Table 8.4. Overview of Training costs (real).

Cost types	Incurred by	Total (£m)
Consultancy costs	MHCLG	2.8
Staff costs	MHCLG	0.4
Total costs	MHCLG	3.1

Benefits and Vfm discussion

5.3.7. The Training workstream aimed to increase senior leadership engagement with digital transformation and improve staff digital capabilities through the Executive Education Programme and Agile training. While aspects of the Theory of Change remain plausible - particularly for staff-level skills development - overall progress toward intended outcomes was limited. Most notably, the Executive Education Programme did not lead to measurable shifts in leadership prioritisation of digital transformation. In contrast, Agile training showed improvements in participant confidence, though the application of these skills beyond digital teams appears limited. As assessed in the Impact Evaluation, outcome progress is as follows:

- Outcome 1 (senior leaders prioritise digital transformation): Not achieved
- Outcome 2 (staff knowledge and practical application of digital skills): Medium

5.3.8. The anticipated benefits of the workstream include:

- Increased staff confidence in Agile skills (64% average increase in self-reported confidence across three skill areas).
- Potential for increased project efficiency and indirect benefits from better-executed digital projects (assumed because of increased staff confidence in Agile skills but not yet evidenced).

5.3.9. The Behavioural Insights Team for Government Skills (Government Skills, 2025) found no experimental evidence on the benefits and costs of data and digital training, nor any comprehensive economic evaluations. This gap in evidence highlights the difficulty in translating confidence improvements into monetisable outcomes.

5.3.10. While Agile training may offer some individual-level value when benchmarked against market delivery costs, the broader aims of the workstream - particularly sector-wide use of Agile methodologies, and leadership change - have not been realised. Therefore, although the Agile training delivered reasonable cost-effectiveness in its delivery, the intervention did not achieve good value for money, given it fell short of its intended aims.

Future iterations would benefit from clearer tracking of how skills are applied in practice, and stronger evaluation mechanisms.

- 5.3.11. Again, it is worth considering the overall confidence levels in these findings when considering value for money. There has been no attempt to comprehensively assess monetisable benefits of the Training workstream. This is due to the lack of specific learning outcomes associated with the workstream, and the difficulty of translating relatively diffuse self-reported skills improvements into monetisable outcomes. However, the cost of delivery of the intervention with similar learning programmes has been benchmarked to understand cost-effectiveness. This has informed a more detailed and evidence-based assessment of cost-effectiveness, with relatively high levels of confidence in this component of the evaluation.

5.4. Research questions discussion

Process: How efficiently was the intervention delivered, and what factors influenced its implementation across different councils?

- 5.4.1. Delivery faced challenges due to high demand for Agile training, where places were limited, and there was no mechanism to ensure that they were allocated across the entire sector. The Executive Education Programme also struggled to secure participation from senior leaders, limiting its reach and effectiveness.

Process: To what extent did the process build collaboration, leadership, and capability? To what extent did it address economic growth challenges?

- 5.4.2. There was limited evidence of wider collaboration or leadership development. Capability gains were primarily individual, with 64% of participants reporting improved confidence in Agile knowledge following training.

Impact: To what extent did the intervention lead to the intended outcomes, and who was impacted? Has the intervention resulted in any unintended outcomes?

- 5.4.3. The intervention reached around 44% of councils but did not lead to widespread adoption of Agile or digital skills across the sector. Knowledge remained concentrated among individuals, with limited organisational uptake. Leadership engagement was minimal, and the scope of the training limited its impact. Nonetheless, the training did increase individual confidence in Agile practices by 64%.

Impact: How much of the observed change can be attributed to the intervention, and what other factors influenced the outcomes?

- 5.4.4. Survey evidence suggests high additionality: 67% of respondents indicated they would not have accessed equivalent training without the intervention. This supports the

conclusion that the observed improvements in Agile knowledge confidence were largely attributable to the intervention itself.

VfM: What are the benefits and costs of the intervention? Do the benefits outweigh the costs?

- 5.4.5. There is no robust data to quantify benefits, and confidence gains are difficult to monetise. While Agile training offered some individual value relative to market costs, the programme did not achieve its broader aims, such as sector-wide leadership change. As a result, it likely did not deliver good value for money at the sector level.

Lessons learned

- 5.4.6. **Limited reach and impact of the Training workstream:** The Process Evaluation found that the Training workstream was deployed in an untargeted manner, benefiting only a relatively small number of local government employees. Senior council staff interviewed saw this as a key limitation, highlighting that without widespread participation, it is difficult to drive sustainable organisational change or embed modern working practices.
- 5.4.7. **Positive feedback from Agile training participants, but limited opportunities to apply learning:** Despite these limitations, survey responses indicated that those who participated in the Agile training did benefit from it, and some were able to apply their new knowledge relatively quickly. This suggests the training delivery model has potential. However, participants often reported that unless they had ownership or decision-making power within their projects, they could not fully apply what they had learned. Furthermore, little evidence was found of these ways of working being applied across councils beyond digital staff.
- 5.4.8. **Implications for future training:** Two clear options emerge for improving training effectiveness. First, scaling participation could drive broader organisational impact - wider uptake may lead to peer learning and greater bottom-up momentum for change. Second, targeting entire teams rather than individuals could address challenges around applying skills in practice, as collective training would help build a shared understanding and establish new ways of working across delivery teams.

6. Programme evaluation

- 6.0.1. This chapter summarises the evaluation of the Local Digital programme as a whole, rather than focusing on individual workstreams.

6.1. Process Evaluation discussion

- 6.1.1. The Process Evaluation of the Local Digital programme addresses the research questions established at the start of the evaluation, identifying differences and patterns across the five workstreams. Section 13 of the Appendix provides detailed answers. This section summarises key conclusions and lessons learned from individual workstreams, exploring their implications for the Local Digital programme's overall reach and design.

Programme reach

- 6.1.2. The Local Digital programme has reached a significant proportion of the sector, with 214 out of 317 councils receiving direct financial support. Including non-financial support from the Training workstream, a total of 262 councils have benefited from the programme. Overall, there were no major imbalances in funding across council types or regions.
- 6.1.3. However, our analysis does reveal a positive correlation between a council's spending power and its engagement with the programme. Core spending power significantly distinguished participant and non-participant councils across the Local Digital Fund and Future Councils. While there is no observable bias among selected and non-selected councils from the applicant pool, the characteristics of this pool likely led to an indirect bias of funding towards larger councils. This suggests that these two workstreams, and by extension, the Local Digital programme, might have, to some extent, benefited larger, higher-funded councils.

Programme design

- 6.1.4. The Local Digital programme has evolved over time, with various workstreams introduced in response to sector needs and challenges. However, the programme was not initially designed as a cohesive whole. Each workstream has its unique focus and operates separately from the others, leading to varying experiences across the programme.
- 6.1.5. Comparing the delivery models reveals a clear contrast in their focus and scope. The Local Digital Fund and Future Councils workstreams, in different ways, lacked the structural and strategic clarity necessary for broader impact and long-term sustainability. Their broad focus (addressing software system challenges and digital transformation barriers, respectively) contributed to this. A more targeted approach, concentrating on a specific system or barrier, may have enabled more effective intervention design. In

contrast, Cyber Support adopted a narrower, more structured delivery model, which appears to have resulted in more tangible outcomes.

- 6.1.6. Finally, Process Evaluation interviews identified a recurring theme affecting the entire Local Digital programme: the lack of inter-organisational collaboration within and across the sector. Councils have often described existing support structures as fragmented, emphasising the need for a more unified approach to enhance sector-wide collaboration.

“There is this little bit of mismatch between what the Local Digital programme is doing, what the LGA are doing, what Socitm are doing, and any other organisation that wants to sit in that sort of environment (...). It is a bit of a confused picture to me sometimes... If you say what is happening in the context of cyber security, who is really leading that for local authorities? Do I speak to the LGA? Is it the Local Digital cyber arm? It’s a little bit uncertain and unclear to me”

- Head of Digital Services, Metropolitan District

- 6.1.7. To address this fragmentation, the Local Digital programme should work towards fostering stronger connections with other sector organisations. This would lead to more cohesive strategies and better sharing of resources, ultimately driving more effective and sustained digital and cyber transformation across the sector.

6.2. Impact Evaluation discussion

- 6.2.1. The Impact Evaluation of the Local Digital programme was based on two core components. First, a council typology was developed from Process Evaluation findings to reflect variations in how councils engaged with and were affected by the programme. Capability and organisational buy-in were the most influential factors. Based on these, four council types (A to D) were identified, each representing a different combination of high or low digital and cyber capabilities (see Appendix Section 16 for typology details).
- 6.2.2. Second, individual workstream outcomes were grouped into nine overarching programme-level outcome areas. To assess impact, five councils from each typology group were interviewed, apart from Type D, where no participating councils were identified. Insights from these interviews, along with analysis of how workstream-level outcomes mapped to the nine outcome areas, formed the foundation for impact assessment. Each outcome area aggregates multiple workstream outcomes, with detailed assessments provided in Appendix Section 3.
- 6.2.3. This chapter presents the extent to which each of the nine outcome areas met their objectives, using a rating scale of Low, Medium, or High impact. It provides an overall summary of programme impact across participating councils, and, where relevant, includes comparative insights based on the four council typologies. The outcome area assessments in this chapter, alongside the workstream-level Impact Evaluations,

informed the answers to the Impact Evaluation research questions, which are presented in full in Appendix Section 14.

Area 1. Investment in digital innovation

- 6.2.4. This outcome is mainly related to the Local Digital Fund, Future Councils, and Training workstreams. It looks at the extent to which participation in these workstreams contributed to councils investing in digital innovation - within and beyond the workstreams.
- 6.2.5. **Achievement:** Medium. The evidence suggests that the programme accelerated existing digital initiatives, boosted senior leadership buy-in, and enabled councils to prioritise digital projects driven by MHCLG's funding support (see Local Digital Fund Outcome area 5). However, limited ongoing funding and a lack of prioritisation by senior leadership have stalled further investment, with little evidence of sustained digital funding post-programme.
- 6.2.6. **Difference across types:** Medium to High. For less digitally mature councils, the Fund often introduced Agile and digital delivery methodologies, directly enabling investment that might not otherwise have occurred, showing high additionality. These councils often leveraged the programme to convince leadership of digital and cyber transformation's importance, helping to create previously non-existent resources.

"Since signing the Local Digital Declaration, we've gone from being a transformation programme (...) where I was the only permanent employee and (...) contractors and fixed term people (...) to now a full-time in-house policy strategy and transformation team."
- Service Manager, Policy, Strategy and Transformation

- 6.2.7. Funding also gave these councils *"more freedom, space and time to problem-solve and take risks in the delivery of digital projects"*, allowing them to *"do work properly"* and significantly upskill staff. Higher capability councils, already investing in digital change, primarily experienced acceleration of their existing efforts, demonstrating lower additionality.

"I think we'd be a year behind where we are (...) the funding itself has enabled us to do work that wouldn't have happened, or it might have happened at a lot slower pace."
- Corporate Director Transformation, Customer and Cultural Services

- 6.2.8. For these councils, the programme often supplemented existing resources to tackle non-priority work and remove long-standing barriers.

"It would have been difficult to drive this through without the funding. We've been having these conversations for over two years about how we can do this and we've made some inroads (...) but we haven't got the dedicated resources."

- Information and Data Manager, Council B3

- 6.2.9. Despite these benefits, funding limitations ultimately restricted sustained digital investment across all council types, particularly for lower capability councils highly reliant on programme funding.
- 6.2.10. **Confidence:** Medium. Consistent information gathered through a representative sample of semi-structured interviews at the workstream and programme level.

Area 2. Staff and resident satisfaction

- 6.2.11. This outcome is mainly related to the impact of work conducted through the Local Digital Fund, and Future Councils workstreams. It looks at the extent to which staff and resident satisfaction improved as a direct result of funded projects, or indirectly through any additional digital work councils carried out as a result of Local Digital programme participation.
- 6.2.12. **Achievement:** Low. Some evidence is available from councils participating in the Local Digital Fund, and Future Councils with regards to the impact of the work in staff and resident satisfaction (see Local Digital Fund Outcome area 2). However, this has not been consistently reported across councils due to a lack of data. Furthermore, the lack of scaling of funded initiatives (11% Local Digital Fund projects scaled) suggests this has not happened across the sector. However, it should be noted that digital teams participating in the programme did report high levels of satisfaction, and some work received the recognition from industry bodies - such as Southampton City Council receiving the Socitm 2024 award for 'Service Delivery Project of the Year' for their 'Starters, Leavers, and Movers' project funded through the Local Digital Fund. Although not an explicit workstream outcome, improvements in cyber resilience through Cyber Support are expected to indirectly enhance staff and resident satisfaction by helping to prevent cyber attacks and their associated disruptions.
- 6.2.13. **Confidence:** Low. High confidence in the fact that large scale impact has not been achieved as a result of low levels of scalability across Local Digital Fund projects (11%). However, there is a lack of available data on the impact that Local Digital Fund projects and Future Councils work has had in this area.

Area 3. Cost savings associated with digital initiatives

- 6.2.14. This outcome is mainly related to the impact of work conducted through the Local Digital Fund, and Future Councils workstreams. It looks at the extent to which cost savings were achieved as a direct result of funded projects, or indirectly through any additional digital work councils carried out as a result of Local Digital programme participation.

- 6.2.15. **Achievement:** Medium. Some Local Digital Fund participants have reported cost savings associated with funded projects, as discussed in the workstream section. Although not mapped to this outcome area, as it was not an outcome of the workstream, the Cyber Support workstream has led to significant cost savings as discussed in the VfM section of the workstream section.
- 6.2.16. **Confidence:** Medium. Data on cost savings is largely self-reported and estimated.

Area 4. Software market changes

- 6.2.17. This outcome is mainly related to the impact of work conducted through the Local Digital Fund, and Future Councils workstreams. It looks at the extent to which changes in the local government software market have occurred as a direct result of funded projects, or indirectly through any additional digital work councils carried out as a result of Local Digital programme participation.
- 6.2.18. **Achievement:** Low. Except for the adoption of LocalGov Drupal, no funded workstream activities have resulted in measurable changes to the local government software market. The limited scale of Local Digital Fund projects constrained their ability to influence suppliers or procurement practices across the sector. This is further evidenced by the analysis included in Section 8 of the Appendix regarding the structure of key local government software markets.
- 6.2.19. **Difference across types:** Low. No evidence was found to suggest any differences across councils with regards to this outcome. However, councils with both high and low capabilities agreed that the current market of local government software systems for services such as planning, revenue and benefits, social care management, and cyber were failing. Councils described these services as “expensive”, yet they were “incredibly poor service” with “limited options”. These issues impact councils with lower capability the most, as in cyber, some councils have reported needing to spend more on expertise to make sense of the market so they can find suitable and relevant products.
- 6.2.20. “We had to then bring in a dedicated category expert for procurement for it just because we have a challenge of what we've got going on and getting this out.”
 - Enterprise Architect, Unitary Authority
- 6.2.21. **Confidence:** High. The evaluation of the Local Digital Fund has found that the scope and scale of funded projects was not large enough to trigger software market changes. Only LocalGov Drupal has had this effect.

Area 5. Digital skills and ways of working

- 6.2.22. This outcome is mainly related to the impact of work conducted through the Local Digital Fund, Future Councils, and Training workstreams. It looks at the extent councils

participating in workstream activities developed digital and Agile delivery skills and were able to apply and spread these across their organisations.

6.2.23. **Achievement:** Medium. Outcomes associated with this area have been achieved to a moderate degree. Workstream findings have suggested that working in project delivery has allowed Future Councils and Local Digital Fund participants to become more familiar with Agile methodologies and develop digital delivery skills (see Local Digital Fund Outcome area 4). Furthermore, before and after scores from the Agile training activity of the Training workstream revealed a 64% increase in confidence in knowledge of these methodologies (see Training Outcome area 2). However, in most cases, these skills and ways of working were found to be limited to those who participated in the programme.

6.2.24. **Difference across types:** High. The main difference between low and high capability councils regarding this outcome was that high capability councils primarily focused on strengthening their existing skills and exposing more staff across the organisation to these ways of working. For lower capability councils, the programme introduced previously unfamiliar skills regarding digital ways of working, often overcoming a reluctance to change.

“We've shown that doing it this way has been really good (...) working in sprints and having these small two-week blocks that deliver a product at the end of it has been really good for everyone to see and to see how that (...) continues to go forward.”

- Customer Improvement Manager

6.2.25. By equipping low digital capability councils with these new skills and ways of working, the programme could lead to improvements in capability, which some councils were already beginning to observe.

“There's a lot of jobs and roles that come with working in an Agile way (...) like Scrum masters (...) those are not positions we sort of traditionally had here before then (...) Local Digital offered us (...) surgeries to advise on job descriptions for user researcher roles (...) along with pushing on some of the digital frameworks around Agile and working in the open (...) there's also been a lot of benefit to us in terms of getting skills in and disseminating those skills across our organisation.”

- Customer Improvement Manager

6.2.26. On the other hand, high digitally capable councils expressed less optimism regarding the wider organisational rollout of Agile methods. While Agile training resulted in more colleagues adopting these ways of working, it occurred only at a small scale, and they felt it would require significantly more effort for organisation-wide implementation. Structural issues like funding and timing, but most importantly organisational culture, reportedly prevented the wider uptake of digital ways of working, as changing an entire organisation's practices is challenging if only a single staff member or team adopts them.

- 6.2.27. **Confidence:** Medium. Confidence in this evaluation score is Medium due to the lack of data enabling before-and-after comparisons of skills beyond the Training workstream.

Area 6. Collaboration

- 6.2.28. This outcome is mainly related to the impact of work conducted through the Local Digital Fund, Future Councils, and Training workstreams. It looks at the extent councils' participation in workstream activities has led to councils adopting more collaborative approaches to tackling digital work beyond funded work.
- 6.2.29. **Achievement:** Medium. Overall, across the sector, most councils mentioned collaboration as one of the biggest benefits of the approach taken to deliver programme-funded work. Internally, digital and non-digital staff were able to work together more cohesively. Externally, councils were able to work together where collaboration would have otherwise been unlikely, for example due to geographic distance and a lack of meeting opportunities. This was facilitated by the programme providing a forum for councils to meet, discuss and problem solve. However, there has not been any evidence of formal collaboration on project delivery beyond funded work, which would be evidenced through joint software development (see Local Digital Fund Outcome area 4). For example, Future Councils facilitated the opportunity for councils to collaborate but there is no evidence they have delivered projects together (see Future Councils Outcome area 2). Therefore, while councils took the opportunity to exchange information, they tackled identified issues in relative isolation.
- 6.2.30. **Difference across types:** Low to Medium. Some variation was observed across council types in relation to this outcome area. Higher capability councils were more likely to have prior experience delivering digital projects in collaboration with other service areas and councils. However, capacity constraints limited collaboration across all council types.
- 6.2.31. Regarding external collaboration, councils largely agreed programme involvement strengthened existing regional relationships or facilitated new ones with more geographically distant councils. Higher capability councils, already strong collaborators, used the programme to expand their work and often led projects. Lower capability councils benefited from partnering with higher capability councils, gaining exposure and knowledge.

“One of the reasons I was keen to push us to be part of the Future Council's work was because [in our council], we find it hard to get out and (...) see other organisations (...) if you're in the middle of Haringay, there's about five or six councils within half an hour.”

- Head of Information Services, Future Councils Participant

- 6.2.32. The consensus among councils was that the connections made at a national scale would not have been possible without the programme, even if they have mainly led to informal knowledge sharing between teams rather than project delivery collaboration.

- 6.2.33. **Confidence:** Medium. Consistent information gathered through a representative sample of semi-structured interviews at the workstream and programme level.

Area 7. Understanding of digital and cyber challenges

- 6.2.34. This outcome is mainly related to the impact of work conducted through the Future Councils, and the CAF workstreams. It looks at the extent to which the Local Digital programme has enabled participants, the sector, and MHCLG to get a better understanding of the challenges faced by councils with regards to digital and cyber.
- 6.2.35. **Achievement:** Medium to High. Findings from the Future Councils and CAF evaluations indicate that MHCLG has used insights from these interventions to inform the design of ongoing digital and cyber support for councils. However, two key areas for improvement were identified: (1) the need to embed monitoring and evaluation mechanisms from the outset to allow early identification of delivery issues and enable course correction; and (2) the opportunity for greater collaboration across local government organisations, and within central government to deliver more coordinated support. Regarding additionality, while many of the learnings from the Future Councils workstream were already known within the sector, it is unclear whether these would have been captured or applied in future interventions without the workstream.
- 6.2.36. **Confidence:** Medium. Consistent information gathered through interviews with the Local Digital team leadership on future interventions based on workstream activity outcomes.

Area 8. Effective cyber risk and mitigation strategies

- 6.2.37. This outcome is mainly related to the impact of work conducted through Cyber Support, and the CAF workstreams. It looks at the extent to which participant councils have a better understanding of their cyber posture and have improved it as a result of the interventions.
- 6.2.38. **Achievement:** Medium. Overall, the Local Digital programme has proven effective at reducing cyber risks and supporting councils in developing mitigation strategies – most notably through the Cyber Support workstream, which resulted in a reduction of 83% of identified CTP risk (see Cyber Support Outcome area 1). In this case, there was high additionality for the intervention, with councils using funding and technical support to execute these plans. However, as discussed in the Cyber Support chapter, there are still areas of cyber risk that have not been addressed by the programme. This includes challenges with the procurement of effective SOC's, moving away from legacy systems, and achieving greater cyber awareness across the council. Evaluation findings also show that the CAF and Cyber Support workstreams were complementary for some councils in the CAF 10 pilot. While the CAF and CTPs helped identify different types of cyber risk, Cyber Support funding enabled councils to act. That said, there is limited

evidence that CAF involvement consistently led to the development of formal action plans (see CAF Outcome area 1).

- 6.2.39. **Difference across types:** Medium. Councils with lower baseline capability typically focused on risks within the immediate scope of programme activities, while higher capability councils adopted a broader approach, aiming to strengthen their overall cyber posture. The latter group also demonstrated faster progress, supported by existing resources and processes.
- 6.2.40. A key enabler of progress across all councils was senior leadership engagement. Councils with strong leadership involvement - often evidenced through strategic risk registers- were more likely to prioritise cyber initiatives. In contrast, where leadership engagement was limited, mitigating actions were often delayed or deprioritised, with legacy systems maintained despite associated risks. Lower capability councils also faced difficulties in implementing cyber recommendations due to limited staff capacity. This further highlights the influence of senior leadership in enabling resourcing and follow-through on cyber priorities.
- 6.2.41. **Confidence:** High. Scores are based on CTP completion data reported by all Cyber Support participants, and information gathered through a representative number of interviews across Cyber Support and CAF, as well as at the programme level.

Area 9. Effective cyber response and recovery strategies

- 6.2.42. This outcome is mainly related to the impact of work conducted through Cyber Support. It looks at the extent to which participant councils have developed and tested effective response and recovery plans.
- 6.2.43. **Achievement:** Medium. Cyber recovery strategies are strongly contingent on councils having proper backup capacities in place. There was an 82% reduction in backup risk across the programme. While the programme was overall successful in improving recovery strategies and the associated tools across the sector, interview evidence shows that not all councils were able to test the implementation of backups, thus leaving their effectiveness partly unclear.
- 6.2.44. **Difference across types:** Medium. Councils with higher cyber capabilities were more able to strengthen their response and recovery strategies, thanks to existing resources and established processes. In contrast, lower-capability councils gained valuable insight into the threat landscape through the programme, improving their understanding despite limited resources. A key difference between the two groups was the ability to test backups. Well-resourced councils could simulate cyber incidents by backing up, deleting, and restoring data - though usually only for specific services due to the effort involved. These simulations informed recovery strategies and incident response planning, even if

not conducted council wide.

- 6.2.45. **Confidence:** High. Scores are based on CTP completion data reported by all Cyber Support participants, and information gathered through a representative number of interviews across Cyber Support.

6.3. Summary

- 6.3.1. Table 9.1. provides a summary of the extent to which each outcome area has been achieved, along with confidence levels based on the available evidence.
- 6.3.2. Across the Local Digital programme, two outcome areas have been achieved to a Low extent, six have been achieved to a Medium extent, and one has been achieved to a Medium to High extent. Taken together, this analysis shows that the programme has only been moderately successful in achieving its stated aims, without comprehensively achieving any of them.
- 6.3.3. In general, the programme has delivered significantly more effectively in outcome areas relating to cyber (Outcome areas 7,8,9) than those relating strictly to digital. As explained throughout, this is because the delivery of cyber programmes was usually supported by the development of clear, targeted action plans, which were less common for digital projects.
- 6.3.4. The fact that relatively few new software tools were launched by the programme, and fewer managed to scale to multiple councils, explains why Outcome areas 2 and 4 were only achieved to a low extent. With many projects supported, especially by the Local Digital Fund, but a relatively low number scaling, this meant that few new services that had an impact on staff and resident satisfaction were actually developed. Likewise, because services usually failed to scale, the programme had little impact on the local council software market, which has largely remained the same.

Table 9.1. Overview of Local Digital programme outcomes.

Area	Achievement	Confidence	Council differences
Area 1. Investment in digital innovation.	Medium	Medium	Medium to High
Area 2. Staff and resident satisfaction.	Low	Low	Low
Area 3. Cost savings.	Medium	Medium	Low
Area 4. Software market changes.	Low	High	Low
Area 5. Digital skills and ways of working.	Medium	Medium	High
Area 6. Collaboration.	Medium	Medium	Low to Medium
Area 7. Understanding of digital and cyber challenges.	Medium to High	Medium	N/A
Area 8. Effective cyber risk and mitigation strategies.	Medium	High	Medium
Area 9. Effective cyber response and recovery strategies.	Medium	High	Medium

6.4. Value for Money discussion

- 6.4.1. The programme's VfM assessment relies on findings from individual workstream delivery models' efficiency and effectiveness. There is a clear distinction between digital workstreams (Local Digital Fund, Future Councils, Training) and cyber workstreams (Cyber Support, CAF).
- 6.4.2. Findings suggest digital workstreams were less efficient than cyber ones, particularly Cyber Support. This occurred because key assumptions underpinning the digital delivery model did not materialise (e.g., collaborative funding not naturally leading to LDF output scaling), and intervention scope was potentially insufficiently targeted.
- 6.4.3. These findings, alongside internal strategic reviews, led the Local Digital team to end the Local Digital Fund and Future Councils workstreams in 2024. They have since shifted focus to leveraging their central role to improve council software systems, including scaling standards and solutions developed through the LDF. In contrast, Cyber Support's success has prompted increased investment in this area, with continued CAF implementation and exploration of applying the Cyber Support model to other policy areas. As a result, cyber activities have received more funding than initially planned.
- 6.4.4. Overall, this analysis highlights two key points: (1) the programme's ability to strategically adapt in response to emerging evidence; and (2) the value of early and embedded monitoring and evaluation (M&E). Earlier M&E implementation, especially for digital workstreams, might have supported a more efficient resource use and an earlier shift in programme direction.

6.4.5. In terms of effectiveness, the Impact Evaluation's qualitative nature limited data suitable for monetising programme benefits. However, considering overall programme expenditure (Section 1 in the Appendix) alongside monetised benefits from the Local Digital Fund and Cyber Support cost-benefit analyses, the Local Digital Programme most likely falls within the 'Acceptable' VfM category, as Table 9.2 summarises.

Table 9.2. Overview of Local Digital programme VfM.

VfM evaluation	
Total costs (£m)	94.6
Local Digital Fund monetised benefits (£m)	16.0
Cyber Support monetised benefits (£m)	63.8
Total monetised benefits (£m)	79.8
BCR (monetised benefits)	0.84
Switching value (to Acceptable) (£m)	14.8
BCR (Removing CAF, Future Councils, and Training costs)	1.18
Likely category	Acceptable

6.4.6. It is worth noting again that this BCR assessment includes reasonably projected benefits, as well as those that have been directly observed. This is partly because most of the initiatives supported by the Local Digital programme are relatively recent, with many still ongoing. It is also because, generally, digital and cyber benefits are best assessed over a longer time horizon, with change taking place over multiple years. This should be considered when reviewing the overall programme BCR.

6.4.7. When considering only monetised benefits, the programme's BCR is 0.84, placing it in the 'Poor' value for money category. However, excluding the Future Councils, CAF, and Training workstreams - for which benefits were not monetised due to limited impact data - the BCR increases to 1.18. When estimated non-monetised benefits are taken into account, they are likely sufficient to bridge the switching value gap of £14.8 million:

- Cost savings of Cyber Support CTP actions not accounted for within the LACRiM model, including those related to staff wellbeing and data breaches.
- Increased council cyber awareness and leadership buy-in following Cyber Support.
- Benefits of Local Digital Fund project outputs, both of non-deployed outputs available for council access, and of deployed project outputs with no available impact data.
- Improved digital skills across council teams delivering Local Digital Fund projects.

- Non-monetised and potential benefits associated with Future Councils, CAF, and Training including improved understanding of cyber posture (CAF), increased confidence in Agile delivery skills (Training), and early investment in digital transformation and service improvements (Future Councils).
- The additional value associated to these benefits would support an overall reclassification of the programme's VfM as 'Acceptable'.

6.4.8. In the discussion of each workstream, different factors impacting the confidence in VfM assessments are considered. These vary depending on the nature of the workstream, and other factors, especially data availability. In some cases, there is a lack of available data, or projects are too early in their lifecycle, to analyse monetisable benefits. To ensure sufficient confidence in the overall VfM benefits are only considered where they can be reasonably monetised – especially the Local Digital Fund and Cyber Support. The VfM assessment also considers the wider effectiveness or cost-competitiveness of workstreams.

6.5. Conclusion

6.5.1. The evaluation assessed how the Local Digital programme supported digital transformation in local government by looking at three key areas of readiness: the digital infrastructure in place (system readiness), the skills and capabilities of staff (individual readiness), and the governance and leadership structures within councils (organisational readiness). This approach followed the Scoping Study's recommendation to examine whether the programme contributed to a broader change in how councils use digital tools and approaches.

System Readiness

6.5.2. The programme has had relatively limited impact on system readiness. As discussed throughout, it has led to few new digital systems being adopted and scaled, and no detectable change in the wider dynamics of the local government software market. There has been more change with respect to improving cyber resilience in systems. Support helped councils move to cloud-based infrastructure and set up more robust backup systems. However, gaps remain in areas such as system monitoring and access to Security Operations Centre (SOC) capabilities.

6.5.3. Progress on wider digital transformation was more limited. Some councils improved systems or developed new tools, but few fully replaced legacy systems. Challenges such as poor usability, limited interoperability, and over-reliance on a small number of software suppliers persist. While MHCLG is now focusing on shared solutions and standards, barriers in the local government software market remain a significant constraint. To enable system-wide transformation, further support may be needed to address vendor lock-in, improve data standards, and scale shared digital infrastructure.

Individual Readiness

- 6.5.4. The programme has clearly had some impact on driving individual readiness, but these impacts are generally limited to small groups of individuals directly engaging with the programme. The programme supported capability-building within digital teams and encouraged peer learning across councils. However, despite some individuals clearly having the opportunity to use and exercise new skills, digital skills are not yet embedded across wider council workforces. The gap between digital specialists and other service areas is growing. Cyber capability remains lower than digital. Many councils lack the skills and capacity to manage cyber risks effectively. Even with support, this remains a significant challenge, particularly for smaller or lower-resourced councils. There is an ongoing need for cross-sector training and skills development in both digital and cyber. This should extend beyond IT teams to include staff across all levels and functions.

Organisational Readiness

- 6.5.5. The programme has had some impact on driving organisational readiness within councils, but the long-term sustainability of these impacts is still unclear. The programme helped raise the profile of digital and cyber across participating councils and acted as a catalyst for investment. However, many councils struggled to sustain momentum after the programme ended. The evaluation found that long-term progress often depended on a small number of motivated individuals rather than sustained leadership commitment. Embedding long-term change will require stronger and more consistent leadership engagement across councils.
- 6.5.6. The evaluation has found that the Local Digital programme has played an important role in the local government sector. Through its different interventions, it has reached a significant number of councils and continues to receive high levels of support from councils and other local government stakeholders. It is important to stress that in the context of its launch, when there was a lack of structured support for councils, it has been an important and significant initiative. This partly explains its popularity in the council sector. The programme should be recognised and applauded for this contribution.
- 6.5.7. However, this report has identified a number of areas where the programme has failed to deliver on its stated objectives, particularly with respect to achieving national scalability of its products, services, and support. This failure to scale is a common theme across multiple workstreams. It struggled to scale products and tools that were funded by the Local Digital Fund, beyond a small number of exceptions. It also struggled to scale new digital skills and ways of working across the council workforce. Finally, where it has correctly identified common barriers and challenges for councils, it has so far struggled to scale replicable or common solutions. To that end, it is clear that some areas of the programme have had greater impact than others, which is shown in the assessment of benefits across the workstreams.

- 6.5.8. In general, cyber interventions have had a more decisive impact than digital interventions. This can be seen in the strong impact evaluation of the Cyber Support programme, and the positive VfM assessment. The evaluation has found that this is generally because cyber interventions have been supported by clearer, more structured delivery plans, and more effective ongoing monitoring. However, it should be noted that while digital improvements have been patchier and more difficult to track, there are clearly some instances of councils and individuals that have significantly improved their digital readiness, as a result of the programme.
- 6.5.9. Through the lessons learned from this evaluation, and wider research and strategy initiatives by the Local Digital team, the Local Digital programme has already taken on a renewed strategy for 2025 onwards. This includes a greater focus on working collaboratively with existing software vendors and proactively shaping markets, rolling-out national data standards for key service areas, focusing on funding a smaller number of high-impact services, and coordinating a more joined-up response to cyber threats. These initiatives are responding directly to the recommendations contained within this report and are expected to deliver a positive impact. The team has been highly responsive to evidence generated through this evaluation, and other ongoing research and discovery exercises.
- 6.5.10. This new era could represent a maturation in the programme's approach, shifting to a more targeted, systematic and practical set of interventions to tackle the evolving set of issues faced by local councils.

7. References

Balka, K., Heslin, B. and Risse-Tenk, S. (2022). Unlocking the potential of public-sector IT projects. Retrieved from: <https://www.mckinsey.com/industries/public-sector/our-insights/unlocking-the-potential-of-public-sector-it-projects>

BBC (2021). Cost of Redcar Council cyber-attack over-estimated. Retrieved from: <https://www.bbc.com/news/uk-england-tees-57433800>

British Library. (2024, March 8). Learning Lessons from the Cyber-Attack: British Library cyber incident review. Retrieved from: <https://www.bl.uk/home/british-library-cyber-incident-review-8-march-2024.pdf>

Cabinet Office (2022). Government Cyber Security Strategy: 2022 to 2030. Retrieved from: https://www.gov.uk/government/publications/government-cyber-security-strategy-2022-to-2030/government-cyber-security-strategy-2022-to-2030-html?utm_source=chatgpt.com

DHSC (2018). 2017/18 Data Security and Protection Requirements. Retrieved from: https://assets.publishing.service.gov.uk/media/5a74994f40f0b61938c7ec22/17-18_statement_of_requirements_Branded_template_final_22_11_18-1.pdf.

DLUHC (2022). Levelling Up the United Kingdom. Retrieved from: <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

DLUHC (2024). Local Digital evaluation scoping study. Retrieved from: <https://www.gov.uk/government/publications/local-digital-evaluation-scoping-study>

DSIT (2024a). Cyber security breaches survey 2024. Retrieved from: <https://www.gov.uk/government/statistics/cyber-security-breaches-survey-2024/cyber-security-breaches-survey-2024>

DSIT (2024b). Cyber security sectoral analysis 2024. Retrieved from: <https://www.gov.uk/government/publications/cyber-security-sectoral-analysis-2024/cyber-security-sectoral-analysis-2024>

DSIT (2025). AI Opportunities Action Plan. Retrieved from: <https://www.gov.uk/government/publications/ai-opportunities-action-plan/ai-opportunities-action-plan>

Eisenhardt, K. M. (1989). Building theories from case study research. *Academy of management review*, 14(4), 532-550.

Eisenhardt, K. M., and Graebner, M. E. (2007). Theory building from cases: Opportunities and challenges. *Academy of management journal*, 50(1), 25-32.

GDS (2025). A blueprint for modern digital government. Retrieved from: <https://www.gov.uk/government/publications/a-blueprint-for-modern-digital-government/a-blueprint-for-modern-digital-government-html>

Gloucester City Council (2023). Impact, Recovery and Lessons Learnt from the Cyber Attack in December 2021. Retrieved from: <https://democracy.gloucester.gov.uk/documents/s59799/Impact%20Recovery%20Lessons%20Learnt%20from%20the%20Cyber%20Attack%20in%20December%202021.pdf>

Gong, C., and Ribi re, V. (2021). Developing a Unified Definition of Digital Transformation. *Technovation*, 102, 102217. <https://doi.org/10.1016/j.technovation.2020.102217>

Government Digital Service (2023). Service Manual. GOV.UK. Retrieved from: <https://www.gov.uk/service-manual>

HM Treasury (2020). The Magenta Book. Retrieved from: <https://www.gov.uk/government/publications/the-magenta-book>

HM Treasury (2022) The Green Book: appraisal and evaluation in central government. Retrieved from: <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government/the-green-book-2020>

HM Treasury (2025a). GDP deflators at market prices, and money GDP March 2025 (Spring Statement & Quarterly National Accounts). Retrieved from: <https://www.gov.uk/government/statistics/gdp-deflators-at-market-prices-and-money-gdp-march-2025-spring-statement-quarterly-national-accounts>

HM Treasury (2025b). Performance Review of Digital Spend. Retrieved from: <https://www.gov.uk/government/publications/performance-review-of-digital-spend>

Information Commissioner Office. (2024). London Borough of Hackney: Data Protection Act 2018 and UK General Data Protection Regulation, Enforcement Powers of the Information Commissioner, Updated Reprimand. Retrieved from: <https://ico.org.uk/media/action-weve-taken/reprimands/4030344/20240705-lboh-updated-reprimand-with-redactions-1.pdf>

Leicester City Council (2024). Cyber indecent FAQs. Retrieved from: <https://www.leicester.gov.uk/your-council/how-we-work/our-website/cyber-incident/cyber-incident-frequently-asked-questions/>

Local Digital (2018). The Local Digital Declaration. Retrieved from: <https://media.localdigital.gov.uk/uploads/2024/10/29092519/Local-Digital-Declaration.pdf>

Local Digital (2023). Local Digital Fund projects. Retrieved from:
<https://www.localdigital.gov.uk/funded-projects/>

Local Digital (2023b). Council Spotlight: Birmingham's Guardian App, a game changer for local government. Retrieved from: <https://medium.com/lDCU/council-spotlight-birminghams-guardian-app-a-game-changer-for-local-government-158aa30df447>

LGA (2015). Transforming local services through digital. Retrieved from:
<https://media.localdigital.gov.uk/uploads/2022/05/17090152/Visualising-waste-failure-demand-data-business-case.pdf>

LGA (2018). The Digital Transformation Programme: An Evaluation. Retrieved from:
<https://www.local.gov.uk/publications/digital-transformation-programme-final-evaluation>

Marsh (2023). US Cyber Purchasing Trends. Retrieved from:
<https://www.marsh.com/en/services/cyber-risk/insights/us-cyber-purchasing-trends.html#:~:text=Cyber%20insurance%20pricing%20increases%20moderated,likely%20to%20purchase%20cyber%20insurance.>

Mergel, I., Edelmann, N., & Haug, N. (2019). Defining digital transformation: Results from expert interviews. *Government Information Quarterly*, 36(4), 101385.
<https://doi.org/10.1016/j.giq.2019.06.002>

MHCLG (2018) Local Digital Fund Prospectus. Retrieved from:
https://assets.publishing.service.gov.uk/media/5bc45b4c40f0b63857057c15/Fund_Prospectus.pdf

MHCLG (2019). DCLG Indices of Deprivation 2015: a. Index of Multiple Deprivation (IMD). Retrieved from:
<https://opendatacommunities.org/resource?uri=http%3A%2F%2Fopendatacommunities.org%2Fdef%2Fconcept%2Fgeneral-concepts%2Fimd%2Fcombineddeprivation>

MHCLG (2023). Core spending power table: provisional local government finance settlement 2024 to 2025. Retrieved from:
<https://www.gov.uk/government/publications/core-spending-power-table-provisional-local-government-finance-settlement-2024-to-2025>

MHCLG Digital (2023). Scaling data standards to support local government. Retrieved from: <https://mhclgdigital.blog.gov.uk/2024/04/10/scaling-data-standards-to-support-local-government/>

MHCLG Digital (2024). Local Digital update: adapting our approach to support the sector. Retrieved from: <https://mhclgdigital.blog.gov.uk/2024/02/19/local-digital-update-adapting-our-approach-to-support-the-sector/>

MHCLG (2024). General fund revenue account budget: specific guidance notes. Retrieved from: <https://www.gov.uk/government/publications/general-fund-revenue-account-budget/general-fund-revenue-account-budget-general-guidance-notes>

MHCLG (2025). The MHCLG Appraisal Guide. Retrieved from: <https://www.gov.uk/government/publications/the-mhclg-appraisal-guide>

MITRE. (2024). MITRE ATT&CK Enterprise Techniques. Retrieved from: <https://attack.mitre.org/techniques/enterprise/>

Redscan. (2021). Disjointed and under-resourced: cyber security across UK councils. Retrieved from: <https://www.redscan.com/media/Disjointed-and-under-resourced-cyber-security-across-UK-councils-A-Redscan-FOI-Analysis-report.pdf>

Rogers, E.M. (2003). Diffusion of innovations (5th ed.). New York: Free Press.

The Register. (2024). Vendor lock-in hurts the UK govt ability to negotiate spending. Retrieved from: https://www.theregister.com/2024/04/04/uk_cddo_admits_cloud_spending_lock_issues_exclusive/

Trustwave. (2024, May 14). Cyber security Threat Intelligence Briefing for the Public Sector. Retrieved from: <https://info.trustwave.com/spiderlabs-research-report-cybersecurity-in-the-public-sector>

Verhoef, P. C., Broekhuizen, T., Bart, Y., Bhattacharya, A., Dong, J. Q., Fabian, N. E., & Haenlein, M. (2021). Digital transformation: A multidisciplinary reflection and research agenda. *Journal of Business Research*, 122, 889–901. <https://doi.org/10.1016/j.jbusres.2019.09.022>