



Aylesbury Vale District Council is 100% cloud, monetising services and considering AI

 By [Derek du Preez](#) January 30, 2017

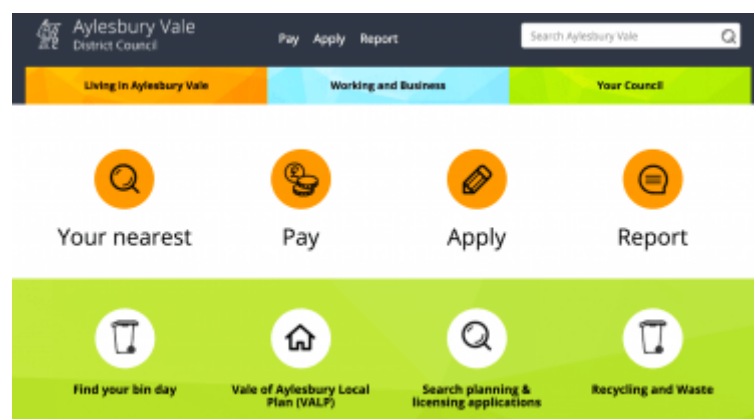
SUMMARY: We speak to CEO Andrew Grant about why Aylesbury Vale has been able to transform so rapidly when much of local government struggles.

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We at diginomica/government have written extensively about the challenges facing local government when it comes to the thorny topic of digital transformation. Last year we questioned [why so many local organisations were resistant to change](#), with many claiming that the Internet and digital weren't realistic alternatives to the cumbersome legacy systems that had traditionally been implemented.

Which is why Aylesbury Vale District Council is such an interesting case study.

Speaking with CEO Andrew Grant, it quickly becomes clear that this local government



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Aylesbury Vale is now pretty much 100% cloud (bar one server that the DWP won't let it get rid of), it has saved millions of pounds over the past five years, it is monetising services that it offers to local residents and it is now considering the use of AI interfaces, such as Amazon's Alexa, to help interact with citizens.

Grant realised as CEO back in 2008 when the markets crashed and local government lost lots of its funding that Aylesbury Vale needed to do something different and rethink its business model. Grant explained:

|| *We were trying to look at how we would become more commercial and enterprising in order to create new income streams, in order to pay down the cost of things. Like the private sector, you have to fulfil your customer, you have to give them things they haven't noticed you created and surprise and delight them, rather than have them they're just people who pay your council tax.*

How would we provide new services for things that they would want to see in their life, but never think of the council in providing them, via paid for and subscription services? We developed that idea alongside "how do we make ourselves more efficient and effective", because any business would need to do that, as well as top line sales."

A different kind of strategy



In 2010 Grant and Aylesbury Value put together a cloud strategy, with the aim of becoming infrastructure free in just five years. Grant believed that this would allow the Council to reduce the footprint of its staff, as well as give it a much bigger reach into its 'customer base'.

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Grant said that the cloud strategy has helped Aylesbury Vale focus on customer acquisition for paid services. He said:

“ *In the commercial world customer acquisition is the biggest cost any company has; whereas, in the public sector world, we're sat on customers, unwitting customers that could be paying guests, but we were sat with the database.*

Anyone that's got any dealings with the council, their missed bin, or their revenue benefits application, anything council-based, then all our residents can sign up to a My Account, that has all their information in one place, most of it online. We try and push more service to self-service, to getting to reduce our infrastructure costs and cost to serve. My Account has gone from zero to 33,000 people in just over a year.

There's no IT department. We've moved to either customer fulfilment and everything that is customer-facing, or community fulfilment, which is strategic.

Grant rightly states that residents shouldn't have to try and figure out how the council works in order to get access to services. Instead, councils should put citizens at the centre of their services, making it easy for them to access.

Some of the paid for services include: a green waste service, which makes £100,000 a year; an incubation service for small businesses to get mentoring; and cleaning services. Grant said:

“ *We're a bit like Uber: we've created a platform, which means that we can go to our customers directly and seek their involvement in paying up subscriptions, for which we will get business fulfilment partners to come up to the front door and fulfil you, which means that we're helping local business get more business, because they don't have the access to the addresses we have. So we're trying to, I suppose, rapidly animate the core data and take us to a place that is a more*

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...etermining), Aylesbury Vale District Council is now also working with Arcus Global on how it can make use of AI and conversational interfaces to better interact with citizens. Grant said:

" *We've started to work with Arcus, using Amazon Alexa technology to see whether, in future, we can use the Alexa AI interface to get most of your common issues resolved through a learning AI environment.*

For instance, "Hi, Alexa: Someone's stolen my bin", and it says, "Oh, thanks, Derek. I've reported it to the council and one and it will be with you next Wednesday."

I think on the Salesforce website you'll see that it's automatically updated in Salesforce ordering system, and without them having to engage in layers and layers of different administration. I think the AI interface is one of the most exciting, because we're trying to do.

We're not trying to avoid people who want to talk to us, and we will have specialists as far up in front of the chain as possible if it's likely to need that, but if people can self-serve right into the depths of quite complex transactions, then obviously our costs go down, but also people's feeling is value goes up because they're doing it in a time when they want to do it, not when the council's open.

Approach

Since implementing the new business model and cloud strategy five years ago, Aylesbury Vale has

managed to save an incredible £14 million. It is estimated that £4 million of that was due to the 'cloud philosophy'. The Council has also reduced its staffing numbers by 16%.

However, Grant said that what makes Aylesbury Vale different is that it didn't just focus on cost cutting, which inevitably reduces quality. It also focused on increasing the top line, which allowed the council to provide an improved service.

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Aylesbury Vale managed to do so much in such a short amount of time? What makes it different?

Grant said:



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Great people, and smart people have taken the vision and the leadership that myself and the elected members have given. Back in 2010 we said "we can't go on like this", so something's got to change in our business model to be able to be able to be an organization that, in 20 year's time, has sustained and is still providing core services to local people.

The missing link was to rapidly develop, not just do it when we can. Take risks and find a business model that starts to bring in an income to set against the costs of the council, because everyone then was talking about costs, and reducing what costs, but you can't reduce costs forever, because it takes a certain amount of cost to even open the doors in the morning to the customers: there's heat and light.

I think you need to use a bit of luck, because you have anniversaries of contracts coming up, and if you have got a bold and clear and robust plan to go into cloud, you can execute it. [And don't be told by the] major legacy providers that there's no other, or that they'll give you a solution that isn't pure cloud. It's probably tenanted somewhere else.

I think the culture one is probably the biggest challenge. And having the guts and determination to see it through on the very unwavering vision that you must find a different way of doing this, otherwise you will fail.

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