EURIM Briefing No 31

July 2001

Integrating Service Delivery: National and Local

Introduction

Modernisation is a major challenge for Government at national and local levels. Ambitious and far-reaching targets have been set for providing services online, primarily through the Internet. Merely enabling citizens to access existing government systems is not, however, sufficient. The Modernising Government programme will be effective only if there is a permanent improvement in the way in which the public sector operates, with the use of technology as an important tool, not an end in itself.

Integrating Service Delivery is key to achieving modernisation targets and, more importantly, gaining real benefits for the organisation itself. A EURIM working group focused on the key areas of "integrating" different government organisations to deliver services, and alternative methods of service delivery. This paper reflects the discussions and recommendations emerging from their series of workshops.

Recommendations

1. The real objective of Modernising Government across all levels: central, regional and local, is to improve service to the public. The focus should be on the quality and relevance of service.
2. Targets for the electronic delivery of services should be adjusted to place greater emphasis on the needs of individuals, operational practicalities (eg ease of use of systems) and recognition that there will always be those who for physical or other reasons require the help of another person to access screen and keyboard-based services.
3. The Office of the E-envoy should develop and implement a coherent channel strategy, including non-electronic access where appropriate. The use of intermediaries will be key to achieving this.
4. Ministers inevitably look at the short term – 4 to 5 year cycles are inherent in the political process. The Government must be encouraged to take the long-term view.
5. Public sector financial rules should continue to be reviewed to make it easier to plan more than a year ahead and to fund opportunities for change. Annual budgeting does not facilitate step change. The current split between revenue and capital does not facilitate incremental change.
6. Recent evidence shows that "ring-fenced" funding for projects which meet clearly defined standards can be successful in encouraging the kind of innovative thinking needed to modernise government. Steps should be taken to expand current provision, whilst paying due regard to the need to identify forward funding for successful projects.
7. Peer review on a cross-departmental basis for setting objectives and monitoring progress should be encouraged. It can be an effective and inexpensive means of breaking down a 'silo' mentality.
8. The National Audit Office should be required to take evidence on joint/collaborative working and consumer focus as part of their auditing process.
9. Officials need to be given the means and incentives to think about their work in different ways and to use a wider range of skills (including those of professional procurement). This requires the design of new education and training programmes and appropriate rewards, financial or otherwise, for those who are innovative. Penalties imposed on individuals whose ideas subsequently fail do not encourage innovation.
10. The public sector should be encouraged to second their staff to prospective private sector suppliers and partners. This will enhance the public sector understanding of motivation, methods, and constraints within the private sector.

Consumer Focus

People, not technology, should be the primary focus of Modernising Government, not only in their role as consumers of services but also as the agents of change and the means of delivery. Automation is not necessarily the best means of communication with the public.

The consumer is becoming more and more sophisticated and the Internet is fuelling the process. Manufacturers and retailers differentiate their products by providing an increasingly individualised service. The consumer is also becoming much better informed. For example, doctors are finding their patients have read the latest research and have a clear idea of what treatments are available. These patients may, however, lack the skills to evaluate what they have read, and may not understand the process which determines the most suitable treatment for them. These are additional complications, placing further strain on a kind of relationship which medical training has not equipped the practitioner to handle.

The consumer is learning to expect more personalised and responsive services from industry. Whilst there is evidence of public sector awareness of this development, there is a lack of effective emulation. Yet government is uniquely vulnerable to the views of the citizen. A government which loses the willing acquiescence of the citizen-consumer risks losing its legitimacy. Ultimately, it may find itself circumvented – as illustrated by the fuel crisis in Autumn 2000.

Modernising Government targets should be refocused on the needs and aspirations of the consumer. Processes need to be re-engineered so that the consumer recognises that he has received a better, more appropriate service - one more attuned to his needs and which improves over time.

Public Servants - Agents of Change and the Means of Delivery

Some citizen-consumers are also charged with providing government services. What of them? Industry has discovered, through much trial and not a little tribulation, that unless their staff buy into the change process from the outset it is doomed to failure. Whilst many public servants recognise the need to change there are many who do not. Among those who do, there is a need for information, support and guidance. They are the agents of change and the means of delivery and must be supported and trained if the process is not to founder.

Above all, there is a need for clear leadership and constant reinforcement of the message that change is inevitable and even desirable; that the focus from now on is the citizen, not the individual department or that department's current Minister, and that this will not be reversed or placed on the "back-burner". For the Government, this requires the whole-hearted commitment of the Prime Minister, and the appointment of a Cabinet Minister responsible for e-government, with oversight over the whole process including budgetary provision to support appropriate projects. It also requires a strengthening of the role of the e-Envoy and a re-examination of the role of departmental change managers and e-government champions. These latter need to be chosen not only for their IT awareness, but also for their business awareness and customer focus. They also need to be sufficiently senior within the department to be effective agents of change.

Private sector managers are more used to partnership sourcing, whereas most public institutions still operate in customer-supplier combat mode. Secondment from public sector bodies to private companies should be further encouraged in order to learn how to manage the inherent conflicts. This also ties in with programme and project management as well as procurement skills and their inter-relationship with making partnerships work.

In general, there is an urgent need for training programmes to be undertaken by all staff at all levels, mirroring similar programmes in industry, and covering skills such as change management, change control, partnership working, leadership and relationship management as well as procurement and technological skills. Suitable means of rewarding appropriate behaviour, whether financially or by secondment and further training, must also be identified and implemented to encourage those staff who do "think outside the box".

Financial Systems as Agents of Change

Financial systems can also be used to bring about change. Too often Treasury rules are quoted as the reason why radical solutions cannot be attempted. If we are to break down "silos" and encourage departments and different levels of government to work together, a way must be found to allow the transfer of budgets between departments. Without this, projects which originate in one department but whose benefits accrue in another, or in many others, will never get off the ground. There can be few departmental managers who are willing to bear the costs without sharing the benefits.

Current accounting processes restrict the ability of local authorities and departments to invest in long-term projects which can eventually result in significant benefits. Despite changing to comprehensive spending review, funding rounds support routine business, but are still detrimental where step change is required. Major cultural change takes time to implement and achieve its full potential. There are financial benefits, cost savings, to be found in Modernising Government but the most significant of these are unlikely to be demonstrated within a single financial year.

As government contracts are presently constructed it is difficult to achieve true partnership. Flexibility is inhibited by the way in which client-prime contractor-sub-contractor relationships are defined. Yet greater flexibility could often enable minor changes to be made, as the contract proceeds, which would be to the client's ultimate benefit. The need to make a plethora of individual contracts with departments, agencies, and local councils is also a significant burden on industry where similar services are being provided across the board. A unified contract to supply groups of departments etc. would ease this burden, making the provision of government services more attractive.

If, as seems likely, government services are to be delivered through a variety of intermediaries, consideration must be given to the costs of delivering a universal service. Delivering services to the elderly, the poor, the disabled and the isolated, will always cost disproportionately more. If differential pricing is not acceptable to the government, how can we ensure that suppliers are not penalised for delivering a universal service?

On the positive side, the Invest to Save Budget and the former DETR's Promoting Electronic Government (PEG) project are encouraging developments. The former has demonstrated some success in generating worthwhile inter-departmental projects and, perhaps as importantly, generating interest and commitment to the idea of inter-departmental working. One County Council has created its own "Invest to Save" budget with strict payback rules supported by public consultation. PEG is enabling local authorities to establish their own practical methodology for developing and delivering local services. These projects show what can be achieved when "ring-fenced" funding is made available to projects which meet specific criteria.

The Role of Government

Central government's role is to identify clearly national priorities and goals and to take action to ensure that they are implemented. It is not always appropriate to leave matters to the vagaries of market forces. Valuable time is being wasted on the on-going debate of open systems versus proprietary systems. If the Government could publicly state its support for open systems then the debate could move on. There is concern about the lack of mandatory standards across government systems. Interoperability between local and national portals is promised, but the timescale has not been defined and the responsibility for policing has not been identified.

It seems likely that government services will increasingly be delivered through intermediaries. This will require a more collaborative, commercially sensitive and flexible approach from government. There is much concern about issues of confidentiality and security – particularly security of government funds – and how these can be assured. The physical location of post offices in rural and urban areas enables electronic government to be brought within the orbit of social groups who can otherwise be hard to reach. Research shows that this organisation is also highly trusted by the consumer. However, electronic government does permit us to re-think the whole idea of physical service provision. For example, the viability of a rural school may be limited in educational terms, but as the location for a part-time doctor's surgery, a mobile library and information service, a post office and a community centre its future can look quite different.

The Role of Technology

The present approach to meeting the Government's targets for 2005 seems to be characterised by the application of technology like "sticking plaster" to present systems, losing much of the real benefits in the process. Technology should be used to facilitate the provision of better services. In some areas it is said that more resource may be spent reporting service delivery to central government departments than in delivering the service. Whilst it is true that improvements to communications where demand is infinite can result in spending finite budgets faster and lead to communications breakdown, great savings can be made by getting the right answer to the consumer at the first attempt.

It may be that by ordering information differently and at a more local level we can achieve a more effective result. We welcome the launch of the *UK online* citizen portal. It has brought valuable information to the consumer and will become increasingly effective as the service is developed. We would also encourage experimentation with other, less prescriptive, systems. The citizen's relationship with government is on-going and dividing information into life episodes may not always be appropriate. The provision of information is only part of the story. Online transactions between the citizen and government are also needed but are much harder to achieve.

UK online also highlights two further areas of concern. The service is being offered on the Internet via PC's for very good reasons. The first is the ease of updating information. It takes relatively little time to change information on a website. Government is, perhaps surprisingly, a dynamic business and needs to be able to take advantage of this facility. The second reason is the quality of the service which can be provided. PC's with high-resolution screens and their ability to accept complex graphics are simply the best available vehicles for the communication of complex information – provided that the communications facilities are in place to give acceptable response times.

Yet the expectation is being created that government services will soon be available on games machines, digital TV's and WAP phones. In the present state of technology, they will not all look or act in the same way. If we do not educate both the public and those specifying services about the inherent differences in various technologies, we may find that the take-up of electronic services is inhibited. Portals need to be responsive to different technologies and easily up-dated as information and media change.

Conclusion

The process of modernising government will not be complete by 2005 even if the present targets are met. It is a much more complex task than many in government appreciate. Research shows that the consumer needs a mixture of delivery systems, including face-to-face and print, as well as electronic. Much good work is going on to integrate services and break down traditional barriers between departments and different levels of government, much of it isolated and un-rewarded. We need to take full advantage of this pioneering effort by identifying it and publicising it widely. We need to identify the gaps where little appears to be happening and find out why. Above all we need to raise Modernising Government above the short-term horizons of party politics and make an enduring long-term commitment to resolving the issues and questions which arise.

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