

Transformational Government

Enabled by Technology

London Borough of Lambeth welcomes the Transformational Government Strategy, issued for consultation by the Cabinet Office. Lambeth is passionate about the potential for transformation presented by new technologies and, in particular, the opportunity these technologies present of being able both to improve service delivery and reduce costs. We are proud of the successes that have been delivered within the authority, using many of the same elements proposed in the Strategy, and we are keen to build on these in the ongoing transformation of local government as a whole.

Lambeth feels that the Strategy is correct to identify the prerequisite for successful transformation as being the use of technology to enable citizen and business-focused transformation, and is pleased to note that many of the suggestions within the Strategy reflect initiatives and innovations that are already being trialled or rolled out in Lambeth through the council's eGovernment Programme.

Lambeth has, over the past three years followed the approach of increasing professionalism within the IT discipline at a local level, and combining this with strong strategic and project management. This has led to the successful realisation of a range of ambitious business targets (for example, developing a contact centre and integrated face-to-face environment, implementing an integrated customer record, electronic document management and e-procurement) within an environment that has traditionally struggled to deliver high quality services.

In the coming three years, Lambeth is embarking on a capital programme designed to deliver deeper transformation, and aiming to reuse infrastructure investment made to improve customer service in the front office to deliver a similar transformation in the way back office services (such as procurement, HR and finance) are delivered.

The Programme is divided into three core areas: improving Universal Services (transforming service delivery for customers), improving Supporting Services (transforming the delivery of back office services and the corporate infrastructure to deliver efficiencies that can be reinvested in front line service delivery) and improving Targeted Services (transforming service delivery to benefit the most vulnerable customers). The Programme will deliver improved services more efficiently, with a core principle being that investment in improved services should enable efficiency by streamlining processes and eliminating waste overall.

Lambeth believes that strong leadership and governance are key to ensuring engagement and successful transformation. Lambeth has benefited from the development and implementation of a robust governance structure, with a direct cascade from a sub-group of the Strategic Management Board (SMB) through to the proactive scheduling of technology developments within the IT function. This means that developing the IT infrastructure is placed at the heart of delivering core services, and SMB are given the ability to shape the agenda of the developments that are available, as well as benefiting from the expertise within ICT services and eGovernment when shaping their own business planning.

Lambeth would welcome the opportunity to discuss their approach to delivering transformation in greater detail, and to share with the team some of the findings from the learning curve of the past three years.

The paper below is a detailed response to the paragraphs of the Strategy.

A Response from the London Borough of Lambeth

6. It would be helpful to set any new initiatives within the context of existing or recent initiatives (IEG, National Projects etc.) and communicate clearly how they are connected and how the old feeds into the new. This is essential if we are to avoid duplication of effort and targets, and to demonstrate that government has learnt lessons from the establishment, management and delivery of previous initiatives when setting out an action plan for the future.

One of Lambeth's more recent experiences has been as the lead authority in the ODPM's eCapacity Building Programme. A key benefit found by all involved in this has been the joining-up of a number of previously separate but complimentary approaches to this agenda, not only from re-use of existing best practice across local authorities, but from co-ordinated engagement through a single programme with a number of central government departments and support functions, such as those within IDeA and OGC.

7. A key message to be promoted should that improvement of transactional services, support for effective policy outcomes, and reform which leads to cashable efficiencies are not mutually exclusive activities. In a local government context, delivery of excellent customer services should imply, through greater resolution of customer requests at first point of contact, automation of service delivery and reductions in the costs of failure, that we make savings rather than bid for growth. On the downside, there is a need to recognise that "taking swifter advantage of the latest technologies" carries with it greater risks and requires a different approach e.g. pilot vs. big-bang; acceptance of "failure" as part of innovation; and that the implementation of technology old or new must be business process led rather than simply technical innovation for the sake of technical innovation.

11. Local government systems should not be viewed as pushing the boundaries of scale and complexity. In comparison with the private sector, customer and transaction volumes are relatively manageable and given that there are so many instances of more or less identical business requirements across the country, the core processing systems for local government should really be seen as a commodity business. The genuine complexities lie firstly in working with organisations which are often internally silo-ed, leading to a departmental or divisional focus rather than a corporate wide approach to transformation; and with partners and across LA boundaries, where clear governance is required if effective working partnerships are to be formed.

16. Practical advice and support for innovative projects focussed on transforming internal services will be extremely welcome. The focus to date has quite rightly been on improving customer services but many organisations will have struggled to deliver real change because they are held back by the demands on their own internal supporting services, who are often unable to cope with the additional pressures that accompany large-scale change programmes (for example in the areas of Finance and HR).

17. It should also be noted that there are many success stories, particularly in local government, as highlighted by the recent Socitm survey (Modern public services: Transformation in Practice). These local centres of excellence should be recognised and encouraged to share good practice with others.

20. There is a genuine challenge in exactly how to achieve this. The eGovernment National Projects had mixed level of success (which is entirely appropriate for real innovation) and many have criticised them but there has to be some merit in starting small and local to prove a concept, break down obstacles and learn lessons and then extend this. The key must be that from the beginning, the end goal of "productionising" the outputs and ensuring these can be - and are - effectively deployed across the public sector, is the basis for the business case, the products and success criteria for each and every project.

In the context of the National projects, the implication is that if it is a problem to genuinely share the technology and knowledge with other organisations in a meaningful way then projects need to be structured with this in mind at the outset, with separate individual accountability for delivering the shared technology, and agreement that participating organisation will share their people for a specific time frame in return for funding.

As an example, many councils have struggled to make parking permit renewals a genuine online paperless process (similar to the new MOT certification process) as it would require significant engagement with the DVLA and detailed research into the Data Protection implications so most have settled for a compromise solution. However, given the funding and the sponsorship and mandate to work with the relevant government agencies, this service could be transformed and, with a genuinely radical approach, permit applications could also become paperless with significant cashable efficiency gains country-wide.

21. Much of this is already in progress, particularly the citizen-centric and professionalism concepts, and the implementation of this strategy could therefore seek to build on existing work. Areas which are still in the very early stages are in the streamlining of processes through to the back-office and the introduction of the shared services approach to corporate services.

Too often, the only changes are in the shop window, the front-office and more should be done to encourage genuine transformation across end-to-end processes. This is the only way to realistically achieve efficiency gains while improving service but most organisations are too stretched to deliver this level of change because it takes an enormous coordinated effort. This may involve fewer, deeper projects but this should be acceptable if managed within a rolling programme of change that prioritises projects effectively.

23. Another potential area for duplication as the Audit Commission is committing significant effort to develop Local Area Profiles. In addition many local authorities are conducting detailed research to establish information on customer profiles, needs and wants in order to, among other things, inform their channel migration strategies. There may be scope to conduct a bottom-up exercise harnessing this data rather than implementing "new processes to engage with citizens".

32. The pursuit of new digital technologies for further extending the range of access channels must be based on evidence of customer need, not simply the emergence of new technologies. It would also be sensible to get the core channels (telephone, web, and e-enabled face-to-face outlets) right first.

33.7 The self-service concept is one which should be given greater emphasis. Where this has been implemented successfully it has not just streamlined processes and reduced transaction costs but removed them completely, whilst significantly improving customer experience and empowerment. There is no better example of business transformation and while it will not work for most complex services, it should be a fundamental objective for all business transformation work.

39. The implementation of the Strategy needs to be adaptable to the potential implications of the "Double Devolution" plans in local government. Many of the consequences of moving to a shared services approach with shared infrastructure are far-reaching and the necessary convergence will take time and faith. This will be all but impossible if there is uncertainty over the funding and ownership of the various layers of government. However, many organisations are internally already well progressed towards the creation of shared corporate infrastructure (in Lambeth, extending from the front office customer service centres to back office functions such as HR, Finance and eProcurement) where much of this is enabled by a few key, common technology platforms and the opportunities for synergies with other leading organisations in each of these areas immense.

39.3 There is a need to recognise that decisions regarding technology are made locally against varying levels of maturity and on different timescales. There are plenty of IT professionals in local government who believe in open source and freedom to develop IT strategy independently. Central government activity must acknowledge these issues and be realistic if it seeks to encourage convergence in this area.

39.4 There is too much uncertainty regarding the implications of data protection on the ability to share data which is a significant obstacle, particularly with partnership working. Any attempts to clarify the legislation at a practical level will be very welcome.

40.3 There is a fair bit of cynicism relating to the Regional Centres of Excellence so there should be some effort made to market them more effectively as they ought to be a key vehicle for piloting innovative ideas at a regional level. The key is less which agency does this, but that there is a single lead agency which is appropriately governed and accountable for maximising the success of these initiatives.

42. Leadership will be an essential component for delivering on any strategy. It would be useful to see exactly how leaders will be measured and held accountable to ensure that this level of change is seen as a priority and pushed through by leadership at every level. One of the greatest lessons from Lambeth's recent experiences is that a single, clear, established and well led business vision is the pre-requisite for the creation of strategies, programmes and projects which are to have a chance of delivering genuine service transformation.

44. There is a definite need to see capital spend on technology, of whatever magnitude, in the clearer context of the envisaged revenue returns. If there is not a clear payback period for the investment, then whatever other statutory or service benefits may accrue from the work, there is a clear gap between the ability of IT to enable efficiencies and the reality that many technology projects have relatively weak financial business cases. These are often based on assumptions of the benefits of automation or technical change, but unfortunately not backed up by clear plans for the realisation of these benefits - not least the financial aspects. Equally, business cases which would make sense if viewed more holistically – including the current costs and potential benefits of developments to partnerships of agencies or collections of public sector customers – stack up poorly when viewed simply in terms of the benefits to the organisation originating the project.

A key aspect of this is the establishment of increasingly effective baselining of the current costs of infrastructure and service delivery across comparator groups within the public sector, to allow genuine comparison and measurement of the benefits of technology investment to different organisations; and a co-ordinated approach to collating and communicating from a single trusted source the technology projects which are underway at each and every level of government, the technologies and contractual arrangements being employed, and the potential benefits to the diversity of organisations which make up the public sector from engaging with an increasingly common portfolio of projects.

46. The ODPM has also led a programme (the Capacity Building programme) to improve project delivery and the programme is set to continue through to 2008. There has been an overlap between the various central government departments and agencies which can only have led to duplication of effort and waste in the past. Some form of rationalisation is required to at least set down in simple terms which of the following organisations is responsible for which components of eGovernment, efficient government, transformational government etc. and exactly what their roles are: ODPM; IDeA; OGC; Audit Commission etc.

48. Much of the Strategy emphasises the importance of processes as well as systems and clearly real transformation will require significant process change. However, the focus of the Professionalism section is on project delivery and IT. There must surely be a requirement to identify and promote proven process based transformation tools such as SPRINT. There is also more scope to engage with the fundamental cultural shifts that will need to take place in most organisations, before and during the programmes of change that will deliver this level of transformation. This is surprising since so many IT project and programme managers so frequently cite this as the key critical success factor.

It is sadly too often one thing to deliver re-engineered processes supported by cutting-edge technology; another to embed a performance management culture which ensures that at a managerial and practitioner level, these processes and technologies are owned and utilised to deliver genuine improvements in service delivery. This is not insurmountable, nor limited to the public sector; but the risk is that transformation which focuses on delivery of the underlying

process and technology infrastructure will simply expose broader issues of management and professionalism, a useful first step but not the delivery of the transformation or benefits envisaged.

51. This should involve research to identify and fund pockets of innovation and develop innovative ways of sharing knowledge and experience. Whilst it relatively easy to share information, the broader challenge is to convert this into a genuine and applicable understanding of what needs to be done, when most of this understanding comes only from personal experience.

It is therefore not enough to simply find the innovative organisations and ask them to share their knowledge, but instead to find ways of sharing the resources, the people who can bring their practical understanding of how transformation can be effected to other organisations. A suggestion would be to find the key innovators and incentives them and their management to release them to work full-time or part-time with other organisations seeking to achieve similar changes.

53. This timetable is welcome for its realism. Local government needs time to consolidate and capitalise on the investment in infrastructure that has driven the IEG results before gearing up to deliver on new challenges.

There needs above all to be a balance in any transformational activity between the quick wins, which point the direction to ultimate success and engender faith that change is both possible and desirable, and the longer term benefits which accrue only from the successful shifting of an organisation, in people, processes and technology, to a new level of performance.

Large scale service and efficiency gains may not be expected to occur whilst projects are running, and the transition from as-is to to-be for any organisation is often a painful one. However, this doesn't mean that the transition is not worthwhile, will not occur and should not be expected to deliver real benefits, in terms of the measurable efficiency and the effectiveness of any organisation, over clear and well defined time frames.

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