message beyond the medium
improving local government services through e-government
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For more information on the work of the Commission, please contact:
Sir Andrew Foster, Controller, The Audit Commission,
1 Vincent Square, London SW1P 2PN, Tel: 020 7828 1212
Website: www.audit-commission.gov.uk
Understanding What Success Looks Like
A realistic vision of successful e-government connects local priorities and the potential of technology to help meet them.

How are Councils Responding?
Councils are optimistic about delivery but some are more confident than others.

Delivering Successful E-government
Implementing e-government is about managing complex change; leadership, local ownership, and building the capacity to deliver have particular resonance.

Overcoming Barriers and Sustaining Delivery
E-government should be an integral part of councils’ core business.

Where Next for Local E-government?
The Government has set out a national strategy for local e-government but more needs to be done to encourage councils to exploit technology to improve both access and services.
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Introduction

‘[New technologies have the potential] to transform the relationship between local people and councils, and to help local government adapt and respond to changing public expectations.’

Source: DTLR, Strong Local Leadership – Quality Public Services (Ref. 1)

1. The increasing adoption of new technologies seems inevitable. The use of the internet has shown the fastest growth of any technology ever (Ref. 2) and looks set to continue. At the end of 1999 the Office for National Statistics (ONS) estimated that 20 per cent of UK households had internet access; by December 2001 this had risen to 37 per cent (Ref. 3). People are using new technologies in private sector services such as banking and retail. Between January 2001 and February 2002 the proportion of people using the internet to buy goods or services increased from 30 per cent to 42 per cent. For personal banking, use of the internet rose from 23 per cent to 28 per cent in the same period.

2. People have increasing expectations of public services, as technologies are being used in the private sector to deliver services in more convenient and cost-effective ways – allowing services to be integrated around customer needs; enabling more efficient transactions; improving access to services; and providing more and better information [BOX A, overleaf].

3. The public service issues that matter most to people are health, education, community safety and transport (Ref. 4). Essentially, people want good quality public services maintained and poor ones improved (Ref. 6). People want convenient access to more responsive public services. They want better access to services in the evening and at weekends, and a faster response to and better ownership of their enquiries (Ref. 7). People do not want their enquiry to be passed from one person to another without it being properly dealt with (Ref. 8). Using new technologies could help public bodies meet these changing expectations.
The benefits of e-business

Integrating services around customers
- Call-centre staff being able to provide customers with accurate and fast information about the progress of their order.
- Developing one-to-one relationships with individual customers by tracking their purchasing habits and then sending them information on related products and services.

Increased efficiency
- Using web-enabled self-service applications for internal processes such as payments of expenses, update of personnel records and pay.
- Automatically dispatching jobs to staff working in the field by matching availability, geographical location and skills against job needs.
- Saving money by streamlining purchasing and tendering processes and enabling improved negotiation with suppliers through the development of e-procurement.

Improved access
- Providing access to services through a variety of channels such as the internet, post and telephone. Enabling customers to purchase products and find out information at times convenient to them.

Better information
- Collecting information about the work patterns and volumes of staff using a database and making use of this information to plan resources better by taking into account fluctuations in demand from customers.
- Providing a more personalised service to individual customers by recording information about their demand for services and their views on the quality of the services they receive.

Source: adapted from a private sector literature review commissioned by Audit Commission and from NAO, Better Public Services through eGovernment (Ref. 5)
Public services already spend significant sums on information and communications technology (ICT). Local government budgeted an estimated £1.8 billion on ICT in 2001/02 alone (Ref. 9). Historically, ICT has not been a well-managed part of public service delivery and the risks are increasing. Nevertheless, the Government believes that the opportunities presented by new technologies cannot be ignored.

‘[E-government is] about putting citizens and customers at the heart of everything we do and building service access, delivery and democratic accountability around them.’

Source: DTLR, E-gov@local, ‘Towards a national strategy for local e-government’ (Ref. 4)

The December 2001 White Paper, Strong Local Leadership – Quality Public Services, sets out the five key outcomes that new technologies can help to deliver as:

- integrating council and other providers’ services around customer needs;
- increasing customer participation in council activities such as overview and scrutiny;
- providing more and better information about council and other local services;
- conducting transactions more efficiently and conveniently; and
- improving and speeding up access to services and help.

Within this context, new technologies could be used to deliver improved services in a number of ways, notably by helping public services to become more open and accountable and organised around the needs of people rather than institutions. In doing so, new technologies could also have a part to play in addressing more complex issues such as social inclusion and democratic renewal [BOX B, overleaf].
New technologies can help to improve public services

Integrating services around customer needs

- Taking council services to people in their own homes by enabling council staff to work remotely using new technologies to access and enter information at the point of contact.
- Improving the continuity and co-ordination of support to people through a unified casework client database so that only one secure and accessible file is held for each person.

Cheaper, more efficient services

- Collecting purchasing information from across all council departments through a central database and making use of this to negotiate discounts with suppliers.
- Allowing people to complete their tax returns more simply and quickly online and at the same time reducing the printing and postage costs to government.

More and better information

- Putting information and transactions on local websites allowing people to service themselves at times and in places more convenient to them. For example, this could mean paying parking fines online, reviewing rent, benefit or council tax accounts, filling in planning applications, and voting on local issues.
- Providing medical information and advice, 24 hours a day, seven days a week, through NHS Direct. People are able to talk to a qualified nurse in a call centre or search for information themselves using the website.

Improving access

- Councils opening one-stop-shops so that people’s queries can be answered by staff based in local area offices sited in the heart of the community or having a single council telephone number answered by staff in a contact centre. Staff in local offices or central contact centres would be able to access the council’s information systems enabling them to answer a diverse range of queries without having to direct people elsewhere.
- Providing better access to all government services and information through the UK Online Citizen Portal. The website is organised in different ways to make it easier for people to find out the information they need from the 900 or so government websites. For example, people can find out information relevant to a life episode such as moving home; they can participate in consultations and live discussions; and they can access services directly through the internet.

Social inclusion

- Helping to raise educational standards through the development of the National Grid for Learning (NGfl). The aim of the NGfl programme is to equip schools and other educational institutions with the necessary infrastructure to access web-based educational software, information and other learning resources. It also supports training for teachers in ICT.
- Encouraging lifelong learning through the People’s Network. This supports the creation of ICT based ‘learning centres’ and the provision of internet access for all in public libraries. This includes training library staff in ICT and creating web based learning materials to enable the public to make the most of new technologies.
- Enabling everyone who wants it to have access to the internet and email through the provision of computers and support at a UK online centre near to where they live.
- Helping people to access better jobs by providing ICT training.

Encouraging participation

- Encouraging participation in national and local elections by enabling people to vote online and by telephone.
- Enabling online access for people to view council decisions and to vote on key local issues.
- Enabling faster, easier contact between local people and their councillor by using email.

Source: Audit Commission analysis of key central and local sources
The Government has set out a policy framework to help public services exploit new technologies to deliver these outcomes. This is known as e-government. It is underpinned by four guiding principles: building services around citizens’ choices; making government and its services more accessible; promoting social inclusion; and using information better (Ref. 10). A cornerstone of this policy is the commitment that 100 per cent of dealings capable of electronic delivery should be delivered electronically by 2005 (the 2005 target).

Government’s ambitions for the exploitation of new technologies do not rest solely with the public sector. It is keen to ensure that the UK is a world leader in the new knowledge economy and that people have the skills and confidence to work with new technologies. The e-government agenda represents one facet of this broader goal as set out in the Government’s UK Online strategy [BOX C]. The UK is making progress towards this aim. In a recent report benchmarking the development of e-government the UK came third out of the ten countries that have made most progress in the last 12 months (Ref. 11).

Implementation of this strategy is the responsibility of the Office of the e-Envoy (OeE). The OeE has a key role in developing policy across all three areas ensuring that the infrastructure for the new economy is delivered and that the three aims are met. In respect of e-government it has wide-ranging responsibilities including encouraging government departments to use ICT to help organise themselves around the needs of people; monitoring government departments’ progress towards the 2005 target; and setting common policies, frameworks and guidelines to underpin the implementation of e-government.

Further information on the UK’s position compared to other countries can be found in a forthcoming Society of Information Managers (SOCITM) – Improvement and Development Agency (IDea) publication ‘Local e-government now: a worldwide view’, July 2002.
Local government’s central role

10. In their role as community leaders, councils have a central role to play in meeting local people’s needs and in delivering the Government’s broader ambition to modernise public services. In conjunction with other key public sector bodies, such as police and local health bodies, they either commission or directly deliver vital public services including education, housing and social care. They have a responsibility for the well-being of their communities and for providing a safe environment. Councils need to understand the diverse needs of their communities, including hard-to-reach groups, and have a responsibility to engage with local people by encouraging and promoting their involvement in council decisions. Within this context, local government often has a closer relationship with people than is possible for central government.

11. The role councils play in the e-government agenda is equally important. If the goals are to be achieved it is critical that local government plays its part. Councils estimate that they could need an additional £2.5 billion to realise fully the benefits of new technologies by 2005 (Ref. 4). Councils have a responsibility to ensure that these considerable sums are spent delivering outcomes local people want and need. The Office of the Deputy Prime Minister (ODPM)\(^I\) has been working with various national agencies, most notably the OeE, the Local Government Association (LGA) and the Improvement and Development Agency (IDeA), to develop a national framework for local e-government, known as Local Government Online (LGOL). This has been designed to help make sure that councils meet the 2005 target. The ODPM has recently published a consultation draft of its national strategy for local e-government (the Consultation Strategy) (Ref. 4).

12. Progress of local government towards the 2005 target is measured by the Best Value Performance Indicator 157 (BVPI 157).\(^II\) Councils have also been encouraged to set their own targets for e-government that are consistent with central government timescales but which reflect the wants and needs of local people. Within this framework the DTLR developed a set of nine milestones for e-government which councils have been encouraged to follow [BOX D].

---

\(I\) The ODPM took over responsibility for local government from the Department of Transport, Local Government and the Regions (DTLR) in May 2002. In this report ‘DTLR’ is used when referring to a publication or event that took place before May 2002.

\(II\) Defined as the number of types of interactions that are enabled for electronic delivery as a percentage of the types of interactions that are legally permissible for electronic delivery. Types of interactions means any contact between the citizen and the council (Ref. 13).
In the 2000 Comprehensive Spending Review the Government allocated £350 million to support local councils in meeting the 2005 target. Of this, £160 million has been allocated directly to councils and the rest to national projects, development and support [BOX E, overleaf]. Councils were invited to submit an Implementing Electronic Government Statement (IEG), setting out how they proposed to meet the 2005 target, to the DTLR by 31 July 2001 to inform the allocation of this money. A key initiative in the provision of national development and support is the Pathfinder programme. Pathfinder councils work with other councils, public service agencies, the private sector and their communities to develop projects and disseminate learning from these projects. Additional funds for local e-government have also been made available through other Government schemes such as Invest to Save, Local Public Service Agreements (LPSA) and Beacon Councils.

BOX D

Nine milestones for e-government

- Agreeing timescale/plan for main services to become available online.
- Developing the means for one-stop handling of changes in address.
- Providing one-stop-shops (including joint contact centres) with other authorities and public services.
- Improving effectiveness in dealing with customers over the phone through best practice in call handling.
- Procuring a significant percentage of goods and services online.
- Getting all councillors online with an email address.
- Developing community strategies and partnerships around e-government, including community participation and sharing information with other local public services.
- Piloting teleworking for appropriate staff.
- Upgrading mainstream financial and administrative systems to give online management information.

Source: DTLR, Delivering Local Government Online (Ref. 14)

13. In the 2000 Comprehensive Spending Review the Government allocated £350 million to support local councils in meeting the 2005 target. Of this, £160 million has been allocated directly to councils and the rest to national projects, development and support [BOX E, overleaf]. Councils were invited to submit an Implementing Electronic Government Statement (IEG), setting out how they proposed to meet the 2005 target, to the DTLR by 31 July 2001 to inform the allocation of this money. A key initiative in the provision of national development and support is the Pathfinder programme. Pathfinder councils work with other councils, public service agencies, the private sector and their communities to develop projects and disseminate learning from these projects. Additional funds for local e-government have also been made available through other Government schemes such as Invest to Save, Local Public Service Agreements (LPSA) and Beacon Councils.
EXTERNAL INPUT HELPED TO SHAPE THE RESEARCH

The seminar held in December 2001 was a new approach for the Commission. The event was designed to share early findings with key stakeholders. The debate that took place helped to shape the final phase of research and helped to ensure that the research picked up on issues that were most pressing for the people who are trying to make e-government work on the ground.

Participants said they found the seminar useful. In particular they valued:

- the opportunity to hear about the initial results from the first phase of research;
- the recognition by the Commission that e-government was not about ICT but about change management, the culture of change and new relationships with local people; and
- the opportunity to put forward their views and have them listened to.

Key issues participants wanted the Commission to address were:

- showing how service improvement is the key goal of e-government, placing it as a tool and not a panacea;
- how to bring councillors on board;
- clear identification of the benefits of e-government; and
- examples of how to implement e-government.

Participants were very clear that the Commission should not confine the study to the technical dimensions, nor seek to provide technical solutions.

The study team has sought to respond to these issues throughout the report.

SOURCE: Audit Commission analysis
14. The adoption of new technologies to help to rebuild public services around the needs of people is an ambitious goal. To meet it, public bodies must first understand what improvements are needed and how new technologies can be used to help deliver them, and then they must implement the necessary changes. Unsurprisingly, progress is not uniform across all councils, and it is still too early to say if e-government has made local government services more effective, economic and efficient. Meeting this overarching goal will take time. This area is new and complex; is likely to incur significant expenditure; and is one with which many councils are struggling. It is timely now to review progress so far and to identify what additional measures are needed to assist local government in successfully meeting this goal.

15. It is recognised that the e-government agenda extends across all public services and that partnerships, both within the public sector and with private sector organisations, are key to its delivery. However, within this context, local government has a central role to play and this study focuses on how councils in England are responding to the key challenges of the agenda. The report considers what lies beneath the successes that some councils are having, drawing on their learning and experience for those who are further behind. All councils are struggling with some aspects of implementation and the report examines the reasons for this. The report challenges whether the current direction that local activity is following will deliver the vision of improved quality of services for local people and sets out proposals for both central and local government on what should be done to help move the agenda on.

16. Interim findings from this research were discussed at a seminar held by the Audit Commission (the Commission) in December 2001 [BOX F, on previous page]. The seminar was attended by 30 key stakeholders from central and local government, the voluntary and private sectors and academic institutions and reported in a briefing in February 2002 (Ref. 15). The Commission is grateful to all who participated in the seminar. This report now presents complete findings and conclusions.
Understanding What Success Looks Like

E-government has the potential to improve services in the ways that people want and expect. Councils must develop a realistic vision of successful e-government that articulates both local needs and how technology will be used to address them. This requires an equal understanding of the business changes required and the potential of technology.
There are high hopes that e-government will help to deliver service improvements that meet local people’s needs and satisfy their increasing expectations. This chapter considers what underpins these expectations and how councils are visualising what e-government looks like for them and the people they serve. Identifying a practical and realistic vision is not easy. The chapter explores the key challenges that councils face.

People have increasing expectations of public services and their expectations are influenced by their contacts with the private sector. But what improvements are people seeking?

The specific improvements to public services that people want are diverse but often simple. They include making forms simpler, speeding up application processing, improving access to services in the evening and at weekends, and providing more telephone lines with better-trained staff to deal with queries, particularly those of a personal nature (Ref. 8). Research by MORI has indicated that the problems and frustrations local people experience relate more to ineffective business processes than the customer care experience. In other words, that satisfaction with the outcome of an enquiry is lower than the perceived helpfulness and speed of the person dealing with the query (Ref. 7). From these findings a key principle can be drawn: people want better access to better-quality public services. Access without improvement is not enough.

People want better access to services...

An important part of improving access is providing a sensible choice of ways and means for people to make contact, a choice that reflects different preferences. For many people personal contact, whether over the telephone or face to face, is still critical. This is particularly the case for older people (Ref. 8). In a recent public sector survey 72 per cent of respondents cited the telephone and 15 per cent face-to-face contact as their preferred method of contact (Ref. 16).

‘You don’t get personal contact and that is really frustrating, you get put through to one department after another and you never get the person you really need to speak to.’ Woman, aged 55+.

Source: Cabinet Office research (Ref. 8)
...and better-quality services

21. Critically, people do not just want improved access to services – they also want services to be more responsive to their needs [BOX G]. They want one named person accountable for dealing with their concern so that:

- their enquiry is answered quickly without being passed from one person to another;
- they do not have to repeat the same information to several different people;
- their enquiry is resolved quickly without the need to chase progress or demand further action; and
- they receive services in a way that is convenient to them rather than to the organisation.

BOX G

People want responsive services

‘If you write to them and phone them you speak to someone else and they say they have not seen any correspondence so you have to start from scratch every time you go…’
Local resident

‘We had a job getting through to the right person. I understand the [planning] process and that you need to speak to a specific person but it is a frustrating experience.’
Local resident

Source: Audit Commission focus groups of local residents commissioned from MORI

22. However, better access to more responsive services still leaves the picture incomplete. What matters most of all to people is for their enquiries to be resolved satisfactorily and this may not always be the case [BOX H].

23. So, while people are not asking for them directly, new technologies can help to deliver benefits which match the improvements people want most in public services.
Councils need to grasp the opportunities e-government offers to deliver these benefits in ways that can improve both access to and quality of services. But it is not easy to decide how to do this in practice. Councils must first set out a practical vision for e-government. How are councils facing up to this challenge?

Identifying key priorities for change that can be delivered within limited resources is not easy. Public sector bodies must do so in a world of multiple and competing objectives (Ref. 17). But priorities must be set in e-government as in all areas of council activity. Councils that are further ahead with e-government have been able to make the connection between these priorities and the potential of technology to help to deliver them. In doing so they have not seen e-government as a discrete, competing objective but as an activity that underpins existing core objectives.

The key challenge for councils

24. Councils need to grasp the opportunities e-government offers to deliver these benefits in ways that can improve both access to and quality of services. But it is not easy to decide how to do this in practice. Councils must first set out a practical vision for e-government. How are councils facing up to this challenge?

25. Identifying key priorities for change that can be delivered within limited resources is not easy. Public sector bodies must do so in a world of multiple and competing objectives (Ref. 17). But priorities must be set in e-government as in all areas of council activity. Councils that are further ahead with e-government have been able to make the connection between these priorities and the potential of technology to help to deliver them. In doing so they have not seen e-government as a discrete, competing objective but as an activity that underpins existing core objectives.

BOX H

What matters most is the resolution of peoples’ concerns

‘At the end of the day, I just want the person to understand, not pass me on to different people… I don’t mind if I’m on there for ten or fifteen minutes, so long as that person knows what they are doing and can help me. I don’t mind.’

Woman, aged 25-44

‘When you first get put through…all you’re getting is someone who has the ability to transfer you. They can’t solve your problem for you.’

Local resident, Audit Commission focus group

‘I ordered a book from the library and in order to see how this was progressing I got through to this call centre who didn’t seem to know anything about it, couldn’t answer my questions and in the end had to give me the telephone number of the library, so that was two calls.’

Local resident, Audit Commission focus group

‘Actually being able to deal with the problem would be one thing…after phoning that number on the slip of paper I got the feeling that the left arm didn’t know what the right arm was doing.’

Local resident, Audit Commission focus group

Source: E-government Research Review: Research Report for the Audit Commission (Ref. 7), Audit Commission focus groups of local residents commissioned from MORI
26. It is in making this connection that councils will develop a practical vision for successful e-government [EXHIBIT 1]. This poses a difficult challenge for councils. E-government is a relatively new agenda and there is no blueprint for success. For example, it is not about a specific service or process but is relevant to everything a council does. While this makes it difficult to know where to start, it gives councils choices about local activities. It is therefore critical that councils understand local priorities.

EXHIBIT 1
Developing a vision for successful e-government
Councils must make the connection between local priorities and the potential of new technologies.

Source: Audit Commission analysis

27. Some councils have made this connection and have developed a clear vision of how new technologies can be used to deliver the priorities that are most important locally [CASE STUDIES 1 AND 2].

‘E-government is central to achieving the aims of our community strategy and to the Council’s future development. I see ICT as the catalyst to drive through fundamental and comprehensive change.’

CEO, site visit council
CASE STUDY 1

Understanding technological opportunities

A primary objective for Knowsley Metropolitan Borough Council is to stabilise the local population following its decline in recent years. The Council and its partners have identified ‘economy and employment’ as one of Knowsley’s Community Plan priorities. The focus is on increasing the employability skills of local people, attracting businesses and creating jobs. ICT is seen as critical to delivering this priority.

‘Any time, anywhere, any place learning, that is tailored to the individual, is made possible through use of technology.’

CEO

The Council believes ICT provides the following opportunities:

- more flexible education and training opportunities to skill up local communities;
- high-quality business support systems including technical infrastructure; and
- better communications between businesses, learning centres and local people.

‘Our main driving force is to raise the standards and the aspirations of our people, to extend people’s horizons…we can do that through ICT.’

Leader

Source: Audit Commission site visits

CASE STUDY 2

Understanding technological opportunities

Tameside Metropolitan Borough Council wants to improve customer satisfaction levels and reduce the number of staff dealing with internal processes.

‘I want to see increasing customer satisfaction and cost savings…to put [more money] into schools and social services.’

CEO

The Council sees ICT as central in driving that vision. Using ICT the Council has, for example, streamlined credit card payments over time to the extent that cashier intervention is no longer needed at any stage in the transaction process. As a result:

- the Council now employs ten fewer cashiers;
- further staff and accommodation savings are being made by transferring cash payments from council cash offices to shops and post offices, through payment card technology; and
- cost per transaction has been reduced by more than 40 per cent by changing working practices facilitated by IT.

Source: Audit Commission site visits
Other councils find it difficult to grasp separately the individual challenges of understanding people’s wants and needs and the potential of new technologies to help meet these needs, even before they make the connections between them.

Councils know that to get e-government right their priorities need to reflect people’s expectations of, and needs for, services. When asked in a survey the Audit Commission commissioned from MORI (the Commission’s survey) benefits to local people were rated by councils as the most important driver of their e-government activity [EXHIBIT 2].

EXHIBIT 2
What factors do councils see as important in driving e-government activity?
Councils agree that benefits to local people should drive local agendas.

Note: N=342
Source: Audit Commission survey commissioned from MORI. For further details see http://www.audit-commission.gov.uk/itc/egovernment.shtml

Councils are amassing a wide range of information about people’s views of council services and how they should be delivered as part of best value. For example, they have used a range of techniques to collate people’s views such as surveys, focus groups, interviews, citizens’ panels and the internet. Members also play a critical role in making sure that local interests and needs are the focus of any local activity. Within this context, councils say they find it easy to take account of the views of the public and service users (Ref. 18).
However, while councils recognise that e-government should be driven by benefits to local people, and are confident that they are collecting meaningful information on people’s service wants and needs, some say that when it comes to e-government they find meaningful engagement with local people difficult [BOX I].

**BOX I**

Finding out what people want from e-government is difficult

‘There is a huge gap in understanding and knowledge about what people want and how things should be done. More research is needed on how to connect with people before we start trying to find solutions.’

Attendee, December seminar

‘We are concerned about how we access user views in a meaningful way… it is difficult to know how to match technology with user expectations.’

Executive director, site visit council

Consultation is often focused around technology

32. In *Changing Gear* the Commission argued that some councils are not seeking the views of local people in a sufficiently focused or challenging way (Ref. 18). Councils are not always clear about why they are consulting, what decisions the findings will inform or how the results will be used. This has particular resonance for e-government. This study found that consultation is often focused on seeking local people’s views on technology rather than the service improvements they want to see. For example, questions asked include: what means people use to contact the council now; what means they will use in the future; and whether people believe that they will see improvements through the use of new technologies.

33. Many people are able to identify the improvements they want from local services. Some people might recognise the potential benefits of new technologies. However, few are likely to be able to articulate how technologies can help to deliver service improvements. People’s responses to consultation around e-government will be strongly affected by their understanding of, and attitudes towards, technologies and these vary widely.
People’s attitudes towards technologies depend largely upon their current access to and knowledge of them [SEE APPENDIX 3]. For example, younger people and people from higher socio-economic backgrounds are more likely to use the internet and have the skills and means of doing so. Because they use it now, they are more likely to say they would use it to contact the council in the future. Older people are less likely to have used new technologies and so are more likely to want to use traditional channels. In spite of the huge growth in internet use, nearly half the UK population have still never accessed the internet and many do not have convenient access to it. The proportion of UK households with internet access is between 37 per cent and 41 per cent.¹

35. Some people do not trust technologies and are wary of them going wrong, while simultaneously recognising their potential benefits [BOX J]. These people are less likely to say they will use new technologies in the future.

New technologies have the potential to deliver improved public services even without direct customer access, and councils are right to want to exploit this.

34. People’s attitudes towards technologies depend largely upon their current access to and knowledge of them [SEE APPENDIX 3]. For example, younger people and people from higher socio-economic backgrounds are more likely to use the internet and have the skills and means of doing so. Because they use it now, they are more likely to say they would use it to contact the council in the future. Older people are less likely to have used new technologies and so are more likely to want to use traditional channels. In spite of the huge growth in internet use, nearly half the UK population have still never accessed the internet and many do not have convenient access to it. The proportion of UK households with internet access is between 37 per cent and 41 per cent.¹

36. It is unrealistic to expect local people to set out clear expectations of how technology can help to deliver service improvements. This does not mean that councils should not adopt new technologies solely because people are currently wary of, or do not use, them. New technologies have the potential to deliver improved public services even without direct customer access, and councils are right to want to exploit this. It is for councils to decide how they can exploit technology to deliver improvements, taking into account local people’s views.

¹ Further details and related references on the relationships between demographic factors and internet access and use can be found in Appendix 3.
Consultation should instead be focused on service improvements

37. Councils should focus their efforts primarily on understanding the aspects of their services that need to improve. This does not mean consulting users again and creating ‘consultation fatigue’ but making better use of the information already collected as part of best value and the wider improvement agenda [CASE STUDY 3].

CASE STUDY 3

Making use of existing information on local wants and needs

While ICT now lies at the heart of Tameside Metropolitan Borough Council’s ‘customer first strategy’, it was not the driver. In 1997 Tameside commissioned a MORI residents’ opinion survey. Two critical questions were asked about satisfaction with the experience of contacting the Council and with the Council’s actions afterwards. Half the population of Tameside had contacted the Council that year. Of these, one in four found it difficult to get in touch with the right person and four in ten were dissatisfied with the way they were dealt with. Members were disappointed by the results, which showed that the Council needed to improve levels of customer satisfaction in both these areas.

In response, an ‘access to services strategy’ was launched that year (since superseded by a ‘customer first strategy’). The customer first strategy and implementation plan focus directly on tackling the poor results of the MORI poll. The objectives are to improve customer access first (through one-stop-shops and call centres), and then to improve the quality of the services delivered.

The Council first found out what customers thought of them and then considered later how technology could help to improve areas with low levels of satisfaction. The needs and expectations of customers identified by the MORI poll provided the catalyst for action, and continue to drive e-government work in the authority. The level of awareness of the initial MORI results is high among members and officers, as is understanding of the objectives to improve access and quality of service delivery. Progress against these objectives continues to be monitored through bi-annual MORI polls, the latest of which shows an overall satisfaction rate of 74 per cent.

Source: Audit Commission site visits

38. Councils need to understand their local communities’ awareness of, access to, and use of, technology to allow them, for example, to set priorities for local access channels such as one-stop-shops, kiosks and websites; to understand local training needs; and to set realistic outcome measures such as take-up of access channels. Those who have not used new technologies, or are without access, are typically older, unemployed or on low incomes and, as such, are likely to be the most reliant on public services. Therefore, to make the most of new technologies, councils should encourage and support local people in using them. As local people’s knowledge increases, councils need to ensure that their e-government strategies remain relevant and reflect their changing needs.
A comprehensive picture of contact preferences is now emerging from existing national and local information. There is no disagreement between these sources about the demographic factors that affect current and future use and arguably there is little to gain from further efforts to consult on technology channels. To inform local priorities, councils should make better use of existing national information on preferences, attitudes to technology and improvements that people want from public services [see APPENDIX 3]. The focus of any new consultation around e-government should instead be targeted at filling specific gaps in local knowledge.

ICT and business skills are needed in equal measure

It is not enough for councils to understand the local priorities for service improvement. They have to go beyond this to understand how to exploit new technologies to help to deliver these priorities. To do this they need the skills and knowledge to understand how technologies can be deployed in a way that will help to deliver local priorities for improvement. This means marrying up specialist ICT skills with a strategic understanding of council business. Some councils are struggling to do this.

‘The biggest problem is that people in the organisation don’t know what ICT can do, then people in ICT don’t know what we’re trying to do.’

CEO, site visit council

‘[There are] so many possible solutions, [it is] difficult to make decisions.’

Staff focus group, site visit council

The necessary skills are in short supply

Accessing technical skills alone is difficult for many. In the Commission’s survey councils identified staff knowledge and ICT skills as an important factor for achieving successful e-government but they also say that these skills are in short supply. In a recent Society for IT Managers in Local Government (SOCITM) survey, the top two skills that ICT managers say are missing are web development and business analysis (Ref. 9). Council staff say they use computers on average just over half of their working week, but 55 per cent rate their level of ICT skills as average to poor (Ref. 19). Councils are not alone in lacking these specialist skills. The National Audit Office (NAO) report a lack of ICT skills across all government departments (Ref. 5) and a recent study commissioned by the Department for Education and Skills (DfES) states that both central and local government have an ongoing problem in the recruitment and retention of people with ICT skills (Ref. 20).
Some councils have actively sought this combination of skills

42. This study has observed that councils who have articulated a local vision and begun to put this into practice have recognised these skill gaps and made efforts to fill them. Some have recruited one person with a strategic understanding of both council business and technology. But this skill set is comparatively rare in one individual. Other councils have looked to access these skills from more than one person [CASE STUDY 4]. Common to both these approaches is that these people have influence at a senior level so that they can engage members, colleagues, and service managers, and get commitment to their e-government vision.

CASE STUDY 4

Specialist and business skills might come from one individual...

Member awareness at the London Borough of Camden of the opportunities new technologies might bring was high in the mid 1990s. But the Council needed to develop an understanding of how technology could be exploited to support the delivery of the Council’s objectives. It recognised that it did not have staff with the knowledge, skills and expertise to develop and articulate a vision for e-government.

To address this, Camden appointed a Head of ICT who had a sound grasp of how to use technology to improve services. Critically, as well as IT expertise, the new Head of ICT brought a broad knowledge of local government services, gained from experience in other councils. He was able to engage officers and members and develop a vision of how IT could transform service delivery. He is seen to have a leadership role, with considerable influence at the ‘top table’.

The Head of ICT also facilitated an assessment of the capacity needed at all levels to deliver the vision and established an implementation strategy.

Or from more than one...

At Tameside Metropolitan Borough Council this role is shared by two individuals; one of the four Strategic Directors, who has overall responsibility for delivering the e-government agenda, supported by the Head of IT Services. Together they have the critical understanding of strategic and operational service issues, and the potential of technology. They also have sufficient seniority and influence to bring about change. Using the Council’s performance management framework they are able to assess whether implementation is taking place on the ground.

Source: Audit Commission site visits
But for many further support will be necessary

43. But this is not just about ICT skills, nor just about business competencies. It is accessing the combination of the two that matters. Many councils are likely to find this difficult and further support will be necessary. Sourced from the public sector or elsewhere this scarce combination of skills needs to be shared between councils, perhaps through a programme facilitated nationally. The e-government agenda is here to stay, so sharing scarce knowledge between councils will not be enough in the longer term. Central support needs to be focused on helping local government to grow and develop these skills.

44. E-government has the potential to improve services in the ways that people want and expect. However, councils need to develop a local vision of what successful e-government looks like that clearly articulates the business changes required and how technology will be used to address them. To do so requires an equal understanding of local wants and needs and the potential of new technologies. Chapter 2 looks at how councils are responding to these challenges and how confident they are to deliver on them.

Summary
How are Councils Responding?

Councils are upbeat and optimistic about meeting the 2005 target, but some are more confident about delivery than others. ‘Confident’ councils share key features – ambition, vision and clarity of purpose – with ‘early succeder’ councils. Hesitant councils do not own the e-government agenda as one they can drive forward locally. The potential of e-government to deliver depends on hesitant councils becoming confident and confident councils delivering success.
Councils face a key challenge in developing a practical, local vision of what successful e-government looks like. They need then to deliver this vision and are being encouraged to do so by the Government’s 2005 target. While councils are optimistic about meeting this target, progress is not uniform. This chapter explores how councils are responding and sets out how some councils are less confident than others about their progress to date and their capacity to deliver. The features of the councils that are confident about delivery are compared with those who are more hesitant.

The delivery of real service improvement requires significant change. Some councils are making progress in improving services and getting on with the job of modernisation. They are engaging with the best value framework and setting challenging targets for improvement (Ref. 18). If new technologies are to help deliver these changes, then their use must be seen as integral to councils’ service improvement agendas.

Most councils recognise that new technologies have an important role to play in helping to deliver their business objectives. The Commission survey shows that 85 per cent of chief executives agree that e-government is an important part of their council’s modernisation agenda and 94 per cent agree that it makes a significant contribution to delivering the overall objectives of their authority.

And most agree that in order to fully exploit new technologies, significant changes to service delivery will need to be made. From the Commission survey, over 90 per cent of interviewees agree that success depends on councils being able to re-engineer their business processes, and four in five chief executives and e-champions agree that e-government will change the way their councils work. This change will help councils meet local expectations of improved access to better services.

Councils are optimistic about their ability to deliver the 2005 target. Over two-thirds of councils that identified the 2005 target as the key milestone for e-government\(^1\) feel that they will reach it.

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\(^1\) When asked, 50 per cent saw the 2005 target as one of the most important targets for their council and 22 per cent cited other related government targets such as 25 per cent of services online by 2002, BVPr157 and Local Public Service Agreements.
Work is underway

Given that the 2005 target is now just two and a half years away it is unsurprising that, for the majority of councils, work has started. Further examples of progress are set out in the SOCITM and IDeA report Local e-Government Now, 2002 ‘There for the Taking’ (Ref. 21). For some the work is well advanced [CASE STUDIES 5 and 6].

CASE STUDY 5

The motivation and drive to establish one of the first local government call centres, or ‘Customer Services Centre’ (CSC), originated from the Chief Executive of Hertfordshire County Council. His vision was to apply the potential of technology to help deliver the Council’s objectives of achieving financial savings, improving access for customers and developing a client-centred approach to service delivery. These were the issues of greatest concern to members.

The Council launched the CSC in 1999 following a two-year structured project management approach that involved:

- an initial ‘whole organisation review’ in 1997, resulting in recommendations for achieving revenue savings year on year;
- a feasibility study on the recommendation to improve public access to the Council and its services through a universal ‘Gateway’;
- identifying options for achieving the ‘Gateway’;
- developing a ‘business case’, including service analysis of how current public access and information services worked, and cost-benefit evaluation;
- deciding to deliver the ‘Gateway’ by telephone access through a single call centre combined with an interactive website;
- detailed design work;
- procuring an operating partner through a negotiated tender procedure; and
- implementing the CSC in partnership with Capita.

Leading members were persuaded of the concept of the proposed CSC and its potential to improve telephone access. But member support was not universal. The business case was key to giving members the confidence to translate their convictions into funding decisions. It included:

- a payback period of five years, through budget reductions built into service cost centres;
- identification of staffing reductions, which would be achieved through normal levels of staff turnover; and
- service departments and finance working together to ensure budget projections were realistic.

Cross-party consensus for the business case was achieved. This was important in minimising the risk of the project being later abandoned if there was a change in political control.

‘There was an argument in doing it on the basis of service delivery but it was a bridge too far for members just on that basis...There was enthusiasm in some parts, acquiescence in others; by and large we had political consensus as it was seen as a customer service issue rather than a political issue.’

E-champion member

Source: Audit Commission site visits
CASE STUDY 6

Tameside Metropolitan Borough Council made a decision to focus its e-government activities initially on improving access to services, in line with its Customer First Strategy but also to produce opportunities for the re-engineering to improve service and reduce costs.

The Council carried out an audit of all its services to identify those that could be ‘e-enabled’ and from this compiled a list of more than 700 services. These were services where customers should be able to give information, receive information, book a service or pay for a service, either in person, on the telephone or via the internet. The aim is for all 700+ services to be fully ‘e-enabled’ through customer access to the same web-based information in a common format, irrespective of the channel used (either directly or indirectly via a member of staff).

The Council has a LPSA target to e-enable all its services by 2003, two years ahead of the Government target. Together with additional funding from the LPSA, Tameside MBC’s strong leadership and structured approach to monitoring and communicating progress means they are confident about delivering this target.

Key features include:

- top level leadership by senior officers and members – the Chief Executive and Member e-Envoy/Cabinet Member for IT are clearly seen as driving the agenda;
- a highly visible, hands-on and positive style of leadership as evidenced through direct member involvement in front office activities and progress chasing, and direct action by the Chief Executive when insufficient progress is made;
- stringent monitoring processes including:
  - monthly progress reports to the Chief Executive and Member e-Envoy on the percentage of the 700+ services e-enabled in each service unit against targets;
  - monthly progress meetings between the Chief Executive, Member e-Envoy and the heads of service units;
- communication of progress to staff through articles in the Council’s newsletter, ‘The Wire’; and on large-scale ‘thermometers’ posted throughout council offices and corridors.

The benefits of this approach are:

- staff are clear what they need to do to deliver the LPSA target; and
- there is clear understanding that achievement of the target is non-negotiable.

With outcomes including:

- progress towards e-enabling services is good; and
- respondents to a survey of people who use Tameside’s website said they found it easy to use and return to it again. They also said it was easy to use the site for specific purposes, such as finding out about a service, making a payment, supplying information or ordering a service from the council.

‘If people aren’t pushing, it won’t happen...you need strong leadership otherwise people will sit around and do nothing because they are busy with other things’.

Middle manager

Source: Audit Commission site visits and a survey of local authority website users commissioned from MORI
All councils have submitted an IEG statement and many have been keen to participate in developing and piloting approaches to e-government: 100 authorities are currently involved in the Government’s pathfinder initiative with 240 expressing an initial interest. These projects are diverse, reflecting the complex nature of e-government. They include the development of community online portals; a generic and portable council website; smartcards; and models for e-procurement and process re-engineering (Ref. 22).

The pathfinders illustrate that many councils are working together to deliver e-government. While much of this activity is focused on specific projects, there are also encouraging signs that councils are working together at a strategic level. When asked for the Commission survey, 84 per cent of e-champions say they are working with another local authority to develop their e-government strategies. There are over 60 examples of such partnerships involving 358 councils (Ref. 23). In addition, the ODPM has recently announced the provision of £47 million over the next two years to 64 local partnership pathfinders, with a further £26 million to be made available later this year.

Some councils are also working with other public sector agencies to deliver more joined-up access to services, for example hosting access to the Inland Revenue and the Benefits Agency in a council one-stop-shop (Ref. 24). These activities reflect an understanding by councils of the need to share knowledge and capacity in developing what is a complex local agenda for change. It is also essential if councils are to provide ‘seamless’ services to local people.

Although the majority of councils are optimistic about delivery and some are implementing projects with early signs of success, progress is not widespread. Many councils seem to be struggling:

- One-fifth of councils in the Commission’s survey were still focusing efforts on developing their e-government strategies rather than on implementing projects. Some councils are saying that they are finding it difficult to get started [BOX K, overleaf].
- Recent research by SOCITM supports this (Ref. 9). When asked, the majority of councils said that they still have a long way to go in progressing against the Government’s nine milestones to 2005.
- Nearly one-fifth of e-champions in the Commission’s survey say there have been no successes to date, and as many as one third of chief executives and e-champions think that the e-government agenda is too broad for their council to tackle effectively.
- Field work showed that councils are struggling to develop a robust business case for e-government.
Some councils are more confident than others

Councils have different levels of confidence about their approach to e-government and ability to deliver. This study shows that councils can be divided into two groups:[EXHIBIT 3]:

Confident councils – those feeling that the drivers of e-government (see Exhibit 2, page 18) have strongly influenced their activities and are more likely to agree that they have made more progress than others; and

Hesitant councils – those feeling that the drivers have had less influence and that they have made less progress. It is worth noting that of the 76 district councils in the survey[II], 63 per cent are in this group.

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**BOX K**

**Many councils are finding it difficult to get started**

‘We’re taking it very cautiously – let others iron out the wrinkles.’

Assistant central purchasing and supplies officer, site visit council

‘People are thinking the right things but the practicalities of change are more difficult.’

Best value officer, site visit council

‘The biggest challenge will be to move from talk base to action base.’

Head of ICT, site visit council

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I Further details can be found in the Audit Commission analysis of the e-government survey commissioned from MORI. See http://www.audit-commission.gov.uk/itc/egovernment.shtml

II The survey consisted of a representative sample of 120 councils in total.
EXHIBIT 3

Councils have different levels of confidence

Within a climate of overall optimism, some councils are more confident than others.

Note: bold text indicates a stronger feature

Source: Audit Commission analysis of the e-government survey commissioned from MORI
Confident councils are well equipped to deliver successful e-government

56. From field work the study identified a small group of ‘early succeeder’ councils that have not only developed a local vision of e-government but are also implementing e-government projects with some success. For this study ‘success’ means local people recognise that improvements to services were being delivered and other councils and national bodies identify these councils as further ahead.

57. The outcomes for confident councils have not yet been measured but they share with the early succeeders some key features – ambition, vision and clarity of purpose. Confident councils are therefore equipping themselves with the same means as the Commission’s field research found early succeeders using to move from confidence to delivery. It is also perhaps this clarity of purpose that helps confident councils to boost their capacity to deliver by working with private sector suppliers (as a source of both knowledge and funding) without ICT suppliers driving activities. On the other hand, hesitant councils’ activities are more likely to be influenced by private sector suppliers and there is a risk of activities not delivering what the councils want. Hesitant councils have not owned e-government as an agenda that they can drive locally, and taking this step will be critical if they are to move from hesitant to confident. The potential of e-government to deliver depends on hesitant councils becoming confident and confident councils delivering success.

58. Councils are upbeat and confident about meeting the 2005 target. Work is underway and some are making good progress. Some councils are more confident about delivery than others. While success of the confident councils cannot be determined at this stage, they share important features with early succeeders and look better placed to deliver than the hesitant councils. Chapter 3 analyses the particular features that have enabled the early succeeders to make good progress. Chapter 4 then explores the issues holding hesitant councils back.

Summary

1 Recent research by SOCITM (Ref. 25) and the NAO (Ref. 26) has focused on website evaluation across all English authorities. It is worth noting that the Commission’s analysis shows that confident councils are more likely to be delivering better websites (as assessed by SOCITM in Better Connected (Ref. 25)) and to have produced first time satisfactory IEG statements (as assessed by the DTLR (Ref. 27)).
Delivering Successful E-government

Councils making most progress with e-government know that it requires them to fundamentally change the way services are delivered. Early succeeder councils are making most progress by adopting the key features of managing change. Two features have particular resonance for the implementation of e-government – leadership and local ownership; and building the capacity to deliver.
The first step to delivering successful e-government is developing a realistic vision that articulates how technology will be used to deliver the service improvements local people expect. The next step is to translate this into action. Managing any complex change is not easy. This chapter examines the specific challenges of change in e-government and it identifies the key features of councils who are early succeeders.

E-government is not an end in itself, it is a tool to help to deliver improved and modernised services. Councils know that successful e-government requires them to fundamentally change the way services are delivered. In *Change Here* (Ref. 17) the Commission identified a number of key features that help organisations to manage change successfully [EXHIBIT 4]. These generic features are just as relevant to managing change brought about by e-government.

EXHIBIT 4

**Key features of successful change management**

These features are equally applicable to e-government.

Source: Audit Commission, adapted from ‘Change Here’ (Ref. 17)

Chapter 1 set out the challenge councils face in making the connection between their service priorities and how to use new technologies to help to deliver them. It is this connection that focuses councils on what matters most in developing a compelling and realistic vision for e-government. In doing this they have focused on the first key feature for successful change. In other words they have understood what success looks like by focusing on what matters most locally. Chapter 1 showed that councils who are early succeeders are doing this well.
But councils need to go beyond simply picturing success to implementing their vision. The Commission’s survey showed that councils identified two key features of successful e-government: ICT skills and experience of staff, and persuading staff to change existing practices and behaviours. These reflect a further two of the key features for successful change – building the capacity to deliver and using external help; and leadership and local ownership – indicating that they have particular resonance for the implementation of e-government [EXHIBIT 5]. This chapter examines these features in more depth.

EXHIBIT 5
Implementing successful e-government
Having developed a practical vision, councils need to put in place the features of successful implementation.

The fourth key feature of successful change is project and programme management. This is a critical component of delivering successful e-government. There are several sources of good practice guidance on managing large ICT projects. Because of this, this study does not attempt to examine the area in detail but reinforces the need for the steps identified below [BOX L, overleaf].

63. The fourth key feature of successful change is project and programme management. This is a critical component of delivering successful e-government. There are several sources of good practice guidance on managing large ICT projects. Because of this, this study does not attempt to examine the area in detail but reinforces the need for the steps identified below [BOX L, overleaf].

Leadership and local ownership

64. Leadership is required at many levels in a council, from top politicians and managers through to frontline staff (Ref. 29). This is equally true for e-government where early succeeders have set out a practical vision, understood how to exploit technology to deliver their vision, and committed and released the resources needed to implement priorities. These councils have put in place a matrix of leadership to address these needs – an influential member who can engage colleagues; a senior officer with influence at the ‘top table’; and manager(s) who have influence at a senior level – who, between them, have an understanding of both technology and business issues.

65. Individuals have different styles of leadership and there is no single model of leadership style that will deliver change successfully (Ref. 17). Successful leaders use different styles at different stages of managing change (Ref. 30). For e-government this could mean adopting a ‘developing’ style during the visioning process – obtaining views about what needs to change, evaluating ideas and driving plans forward. During the implementation phase leaders could adopt a ‘championing’ style – selling the benefits of the vision to all those affected, gaining their commitment and ensuring their involvement.
Creating and communicating a picture of success that engages and convinces the enthusiastic and the sceptic alike is critical to the success of e-government, particularly since this is a new agenda with no blueprints for success to follow. In this context, skilled and sustained leadership is needed to create a sense of local ownership that encourages staff to engage in delivery. Staff must be able to understand why changes need to be made, what those changes are, and what they might mean for them. The Commission’s survey shows that councils agree that e-government projects are likely to fail unless staff understand the need for change. But fewer than one in ten councils (as reported by chief executives and e-champions) had explicit plans to involve staff in their e-government programme.

These key tasks for the leadership of e-government are summarised here [EXHIBIT 6].

EXHIBIT 6
Key tasks for the leadership of e-government
Skilled and sustained leadership is needed to create a sense of local ownership.

Building capacity to deliver

Councils vary enormously, not only in size, structure and political make-up, but also in the services they deliver and the local issues they face. Unsurprisingly, they cope with the challenges presented by the e-government agenda in different ways. To make e-government manageable it is important that councils prioritise their programme and understand the skills, resources and infrastructure that are needed at the different stages of implementation.
69. Funding the implementation of e-government is a critical issue for councils. There are a number of possible funding options, and it is likely that some councils are better placed than others to take advantage of some of these (explored further in Chapter 4). However, a common feature of all of the early succeeders is the commitment to release internal resources for e-government. These councils have made the connection between their core priorities and the use of ICT to help to deliver these. In so doing they have acknowledged that, to deliver improvements to services in the future, they need to invest money in ICT now that would otherwise have been spent directly on core services.

70. Successful e-government will involve managing a complex programme of several projects that will take time to implement and possibly even longer to demonstrate significant benefits. Skills, knowledge, resource and infrastructure requirements will vary depending upon both the specific needs of the project being delivered and its stage of implementation. To sustain delivery councils need to understand their current capacity and performance and fill gaps [EXHIBIT 7].

EXHIBIT 7

Key tasks for building the capacity to deliver e-government

To sustain delivery councils need to assess and understand their current capacity and performance and fill gaps.

Source: Audit Commission analysis

E-government in practice

71. Observations made during fieldwork illustrate that early succeeders demonstrate these key features of successful change. They have focused their efforts on assessing and building their capacity to deliver; on leading people through the difficult process of change, securing commitment from members and staff along the way; and on managing their programme of work [EXHIBITS 8 and 9]. Equally powerfully, there are examples showing where the key features are absent and the impact of this.
Leadership and local ownership in e-government

Leadership of e-government involves several key tasks.

- **Matrix of leadership** (Case Study 7)
  - The leader must set the vision and influence decision-making.
  - Engage in a two-way flow of information to make the connection between learning and service improvement, and obtain buy-in from the release of necessary resources.
  - Ensure that officers who have an understanding of both technology and business are involved.

- **Sustain commitment from senior officers and influential members** (Case Studies 8 and 9)
  - Engage early in the identification of individuals who are change champions.
  - Identify challenges, realities, and engagement from leading members.

- **Involve staff** (Case Studies 10 to 13)
  - Involve staff from the outset in the design and development of projects and an ongoing basis.
  - Ensure staff are fully trained:
    - Communication throughout the programme.

- **Address resistance and reward involvement** (Case Studies 14 and 15)
  - Addressing resistance at an early stage in the project.
  - Reward innovation and hard work.
  - Delivering a vision with the support of those who see the potential to gain more direct involvement.
  - Identifying those who can help to secure tangible benefits of change.
  - Providing staff with the support and trust to ensure the right personnel are in the right places.
CASE STUDY 7

Leading from the top

The Chief Executive of Tameside Metropolitan Borough Council is committed to developing a culture of continuous improvement. His vision for the Council is of an organisation whose central ethos is change and improvement.

‘We’ve worked actively on our organisational development for the past ten years…the expectation is that people will always be looking to improve their services.’

CEO

The Chief Executive has been highly visible in building understanding and ownership of this vision over time.

[The Chief Executive believes] we can do whatever we want, we just have to make it happen …[he] is very motivational … it comes from the top.’

Senior manager

Initiatives include:

- a long term programme of organisational development (Tameside towards 2000 and now 2020 Vision) with a major emphasis on improvement using the management philosophy of Dr Demming;
- training around 2000 staff in the tools and techniques of improvement;
- leading ‘Tameside 2020’ visioning seminars three times a year, where staff are brought together to discuss change and improvement;
- producing regular staff briefings; and
- ensuring that performance indicator information is posted on council office and corridor walls.

This strong, corporate style of leadership and a common language for talking about service improvement has helped to develop a shared understanding among managers, staff and members of:

- e-government as part of the improvement agenda; and
- what the Council is trying to achieve through e-government, and why.

‘[E-government] is part of the normal process of trying to improve things … the process improvement culture means that people know it’s part of their role.’

E-champion

Source: Audit Commission site visits
CASE STUDY 8

The importance of sustained leadership

A Council had strong leadership from the Chief Executive and leading members during the planning, development and initial implementation stage of a contact centre. The subsequent operation of the centre is seen as a success but leadership and drive have not been sustained.

Members are not providing ongoing challenge to officers to improve the centre. There is some member recognition of the need to improve back-office processes to support the contact centre but no clear view on how this might be achieved. The drive for new initiatives in the Council is seen to come from the Chief Executive but he now has other priorities.

Without this leadership and drive, the future sustainability of the Council’s e-government agenda is uncertain. It is unclear to what extent members or senior officers are aware of and challenge the issues they now face. Key questions that need to be asked to move the agenda forwards include:

- How will the impact and outcomes of existing activity be monitored, not just in terms of customer access but also responsiveness and service quality?
- How will the implications for the ‘back office’ across the whole organisation be addressed?

Source: Audit Commission site visits
CASE STUDY 9

Engaging members

Members at Knowsley Metropolitan Borough Council already had good awareness and understanding of ICT. The Leader, recognising the need for interconnectivity between different platforms and systems across the Council, established the authority’s ICT committee in the late 1970s. Seeing it as critical to their approach, the Council has taken steps to extend member engagement including:

- encouraging member attendance at road shows held by Liverpool University, to develop an initial understanding of the potential of technology;
- holding externally facilitated awareness workshops and brainstorming sessions, focusing on increasing understanding of the potential of technology and how to exploit the internet; and
- fully e-enabling members – members have remote access and are provided with laptops and access to a helpline (including home visits by ICT staff) but only on completion of training. All but one member has taken this up.

In addition, all members are programmed to attend conferences and seminars every year to learn about what others are doing around e-government.

‘A lot of what Knowsley has done is as a result of members finding out from others [councils] about what they’re doing.’

Leader

As a result of these initiatives members have a good awareness and understanding of the potential of technology and are committed to investment in ICT, including establishing a £1 million ‘invest to save’ ICT budget.

‘Members have seen how ICT can be used to improve services, and had massive foresight. Members, and particularly the Leader, are key drivers [for the use of ICT]... they are constantly striving for more, bigger, and better.’

Assistant Chief Executive

By contrast, another Council is experiencing difficulties in getting members engaged in their e-government agenda, despite top level officer commitment including a Chief Executive e-Champion.

Members all have the opportunity to be fully e-enabled but many have chosen not to be. Fewer than half of the cabinet members use their laptops, and use of email by members is variable. Many members think that national priorities and targets for e-government are unimportant, and most are not on board with, or appear not to understand the importance of, the e-government agenda. In a ‘council priorities’ exercise members gave e-government no priority at all, while officers across the authority rated e-government as ‘quite important’.

The political leadership has no strategy for increasing member commitment.

The lack of member ownership and strategy to change the status quo is creating frustration among managers and raising doubts about the future deliverability and sustainability of the Council’s e-government agenda.

Source: Audit Commission site visits
CASE STUDY 10

Involving staff from the start

Three Rivers District Council wanted to have a better understanding of the services they provided before setting up a customer contact centre. They wanted an informed debate about how service processes currently worked and what could be changed through the wider application of ICT.

The Council carried out a business process review to determine the respective responsibilities of the proposed customer contact centre and the service departments. This involved:

- involving every member of staff in the debate in a series of consultation sessions, including representatives from every service area, and staff side in project groups;
- heads of service and a development group from the Strategic Services Directorate mapping out all service processes;
- training key departmental staff in business process mapping, so that they were equipped to carry out detailed analysis work and develop proposals for new work processes;
- service departments identifying the front/back office split for each process – the point up to which the contact centre could deliver the service and beyond which the customer would need to be passed on to ‘back-office’ service staff. Critically, members scrutinised and challenged these cut-off points;
- developing service level agreements based on the approved cut-off points; and
- back office staff helping to train the front-office staff.

Source: Audit Commission site visits

CASE STUDY 11

Involving staff from the start

Hertfordshire County Council adopted a proactive, hands-on approach to building staff support for the Customer Service Centre (CSC).

‘I was literally running from office to office...pulling staff on board.’
Chief fire officer

They believe that the approach has worked.

‘People have been involved in the development process...they have a higher degree of ownership.’
Chief fire officer

Key features of their approach included:

- engaging staff and members early on through the establishment of a senior, cross departmental project team that reported progress to the chief executive, and a member reference group;
- involving staff in the development and design of the CSC through working groups within service departments to collect and analyse data, and council-wide and frequent progress updates through internal bulletins;
- holding roadshows and briefings to raise awareness, sell the benefits and share ideas;
- training of CSC (Capita) staff by back-office (Council) staff;
- targeting more receptive service areas first to achieve ‘quick wins’;
- promoting success through high-profile internal briefings, caller satisfaction surveys and direct customer feedback; and
- high visibility and personal involvement by the leading senior manager.

Source: Audit Commission site visits
CASE STUDY 12

Keeping staff involved

Hertfordshire County Council has set up an internal change team to connect ‘front-office’ and ‘back-office’ staff. The gateway users group consists of back-office staff who explore improvements in the fit between the Customer Service Centre (CSC) (operated by Capita) and back office-functions and processes. There are specific gateway project managers in some service areas, and CSC staff participate in back office service team meetings. This has achieved higher levels of commitment from council officers to the CSC, especially by those directly involved in the gateway operation.

Source: Audit Commission site visits

CASE STUDY 13

Keeping staff involved

Tameside Metropolitan Borough Council has identified e-champions in each service who are seen as key in helping to deliver the LPSA e-government target.

‘It [e-government] wouldn’t get done otherwise.’

Senior manager

The e-champions are at different levels of the organisation and are nominated by heads of service according their knowledge of the service and business processes; their understanding of technology and its potential; and their attitude to change.

“You’ve got to have enough clout and be assertive enough to get it done and give [people] the help that they need.”

Senior manager

The e-champions are responsible for driving e-government through:

- identifying processes to be e-enabled and agreeing priorities with service unit managers;
- liaising with IT staff;
- engaging service staff, identifying their needs and co-ordinating support;
- identifying barriers and how to overcome them;
- monitoring progress; and
- co-ordinating cross-cutting activity.

Source: Audit Commission site visits
CASE STUDY 14
Building support and overcoming resistance

Hertfordshire County Council has a range of ongoing activities that help to raise awareness of their Customer Service Centre (CSC) and overcome staff resistance to the change. These include:

- ‘buddying’ visits to the CSC by Council staff;
- quality assurance of CSC staff by Council staff through, for example, real-time listening in on their calls and participation in mystery shopping;
- participation by CSC team leaders in Council staff meetings; and
- all services also have project managers with specific responsibility for liaising with the CSC on service initiatives.

Source: Audit Commission site visits

CASE STUDY 15
Building support and overcoming resistance

Tameside Metropolitan Borough Council acknowledges that some mistakes have been made in implementing their e-government agenda. For example, they recognise that setting up the one-stop-shop in Dukinfield Library was not handled well in terms of communication, co-ordination and project management. As a result the initiative met resistance from staff at the library.

The Council has since worked to overcome this resistance and build support, making some simple changes:

- staff focus groups have been set up allowing staff to contribute ideas;
- ICT skills and ‘managing yourself through change’ training programmes have been provided; and
- an organisational restructure has brought all the frontline access functions (including libraries, one-stop-shops and call centres) together under one head of service.

Staff at Dukinfield Library now feel that they have:

- reached a better understanding of the purpose of the one-stop-shop;
- acknowledged that the new ways of working can save time;
- largely overcome their fear of technology; and
- streamlined some service processes.

‘People panicked – we haven’t got time, we haven’t got the IT skills...later people were surprised that they knew a lot more than they thought they did...In hindsight it’s worked a lot better than we thought it would...people now feel they’ve invested effort into it and taken ownership.’
Library manager

Source: Audit Commission site visits
EXHIBIT 9
Building capacity to deliver e-government
Building the capacity to deliver e-government involves key tasks.

CASE STUDY 16
Understanding and setting priorities for action

Hertfordshire County Council used a phased approach to decide on its priorities. The Council carried out feasibility studies in 1998 testing options for a universal ‘Gateway’ to the Council and its services. The outcome of the studies informed the Council’s priorities for action. It was originally intended to provide gateway services through three channels:

- by telephone, via a single call centre;
- in person, through walk-in facilities in various locations; and
- through the internet.

The feasibility study supported the call centre and website, showing that:

- both facilities would provide improved public access and service at a reduced cost; and
- the call centre would initially handle approximately 1.2 million calls per year.

Evidence for walk-in facilities was weaker:

- the initial set-up costs for a county-wide walk-in public access service would be high; and
- MORI research indicated that the public did not anticipate making wide use of the facility.

As a result the Council decided to prioritise the call centre and website.

Source: Audit Commission site visits
CASE STUDY 17

Freeing up internal funds

Three Rivers District Council funded its integrated one-stop-shop and call centre internally by:
- releasing capital funds of £475,000; and
- setting 5 per cent targets for efficiency savings from core services.

Tameside Metropolitan Borough Council has made a sustained commitment to make money available from existing resources to implement its e-government vision. The main source of internal funding is a corporate ICT budget of £2 million from the capital programme (from the sale of housing stock) and one-off funding from capital receipts of £0.75 million. By making funds available internally, the Council has not been dependent on external funding to deliver its vision although additional funding from external sources has enabled faster implementation.

‘You need to be prepared to commit resources without deviation for a period of time.’
Council officer

Hertfordshire County Council disposed of council assets and invested £2 million of the capital receipts to finance its Customer Services Centre. The intention is to recover the set-up costs from revenue budgets over a five-year payback period.

Source: Audit Commission site visits

CASE STUDY 18

Making use of partnerships to boost capacity

Knowsley Metropolitan Borough Council adopts a ‘jigsaw’ approach to delivery procuring the expertise of a range of external partners for specific purposes. Operational delivery of the ICT service is provided by eight different suppliers, who adopt common inter-operability standards specified by the authority. The authority retains responsibility for overall direction and management of the service.

By adopting this approach the authority is able to procure partners that it regards as ‘best in class’, respond flexibly to changes in business demands, and spread the risk of failure from a partner organisation compromising service delivery.

Source: Audit Commission site visits
CASE STUDY 19

Recruiting people with the right skills

Hertfordshire County Council wanted a strong customer ethos in its Customer Service Centre (CSC) from the outset. The Council felt that the nature of the work, working patterns, skills and culture needed in the CSC were different from those of the Council. An early decision was therefore made to outsource the operation of the CSC to the private sector.

The CSC is operated on a five year contract by Capita. Capita appointed staff with specific customer service skills, on a variety of shift patterns to cover long opening hours, and in sufficient numbers to release staff for a planned programme of ongoing training. Changes in call volumes can be accommodated by shifting and re-focusing staff efforts. The CSC successfully delivers against contract targets and key performance indicators. Calls are answered quickly and levels of customer care and satisfaction are high.

By contrast, another Council initially staffed its one-stop-shop by transferring existing receptionists and information and advice officers to the new posts. It experienced a number of difficulties as a result of this approach including:

- staff feeling ill-equipped to fulfil their new roles despite retraining;
- high levels of sickness absence due to stress; and
- some staff resistance to the new jobs and ways of working.

‘When I first joined I was an Information Officer, now I feel more like a Debt Collector.’

One-stop-shop employee

The Council acknowledges that it had undervalued the new jobs and been wrong to assume that staff would simply fit in with the new way of working. It has since recognised that it may have been better to advertise and recruit new staff with specific interest and skills in this type of work.

Source: Audit Commission site visits

CASE STUDY 20

Recruiting people with the right skills

When the post of Head of ICT at Knowsley Metropolitan Borough Council became vacant, the Council took the opportunity to assess the skills, knowledge and experience needed to implement the next phase of its e-government vision.

Members and officers were clear that the ‘right’ infrastructure must underpin the next phase. The Council identified that improved management of customer information was crucial to improving services and decided that Customer Relationship Management (CRM) was the right application to do this. They recognised that they lacked skills in this area, so specifically recruited a Head of ICT with the necessary technical knowledge and experience to implement CRM across the Council.

Source: Audit Commission site visits
Summary

72. Councils that are making most progress (early succeeders) have understood what matters most and in particular have addressed issues of leadership, local ownership and building capacity to deliver. Within a climate of overall optimism, councils have different levels of confidence. For some more hesitant councils progress appears to be slow. Chapter 4 looks at the reasons why some councils are finding e-government more difficult than others, and identifies a key area where many are experiencing problems.
Overcoming Barriers and Sustaining Delivery

Councils say they face key barriers to delivery – funding, a lack of ICT skills and staff reluctance to change – but early succeeder councils have overcome these. Hesitant councils are struggling to connect e-government with the core business of the council. Many councils are concentrating on improving access, but not improving services. Councils should set challenging local targets and review and monitor their performance against these.
Previous chapters have emphasised the complexities of the e-government agenda and reported that, despite these, early succedee councils are making good progress. However, others are finding it more difficult. This chapter looks at the barriers to delivery and how a tension between e-government and service improvement agendas is impeding the progress of hesitant councils.

Hesitant councils are focusing their initial e-government activities on the 2005 target, and so concentrating work around access to services. But even those making better progress are finding it hard to sustain the focus on improved outcomes for local people. For all councils, maintaining a dual focus on both improving access and improving service quality is a challenge. This chapter considers what councils can do to address this.

Funding is seen as a significant threat by most

This report cites the potential additional cost of the e-government agenda, from councils’ own estimates, as £2.5 billion. On the other hand, cost-efficiencies are seen as an important driver for e-government (see Exhibit 2, page 18) and many anticipate making efficiency gains. In the Commission’s survey, 44 per cent of e-champions and service managers thought that e-government will deliver savings. But few could say how much will be saved and by when. Evidence of estimates of the cost of e-government work, where cost estimates exist, was often found by the study team to be weak.

Four-fifths of councils in the Commission’s survey say that a lack of funds poses the most significant threat to the delivery of the e-government agenda. As many as two-thirds of respondents also agree that it is too expensive for their authority, despite (or maybe because of) their poor understanding of the costs of implementation.

The scope of the whole e-government agenda is vast and councils are not alone in seeing a lack of funds as a threat to delivery or in finding it difficult to undertake robust cost-benefit analyses. Recent research concludes that there is no obvious methodology for the measurement or management of ICT costs and benefits (Ref. 31). Recently the NAO cited funding as a significant barrier and stated that more reliable assessments of costs and benefits are required (Ref. 5).

Cost-efficiencies need not drive the e-government agenda. Councils might want to redirect freed-up resources to improving and extending services. These choices are all valid. But what is critical is the need to set out a clear rationale for investment decisions.

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1 This figure was derived from the aggregation of the costs identified in council IEG statements. The IEGs themselves are broadly aspirational and the costs are not proven.
...common to all early succeeder councils is their commitment to release internal funds.

79. Government has ringfenced £350 million to support councils in delivering this agenda. But this will make little impression if the estimated overall cost of delivery of £2.5 billion is to be believed. While it is likely that the true cost of this agenda for local government is still uncertain, these figures reinforce the concern that councils will not be able to rely on central funding. Instead they will have to seek ways of releasing internal funds (through redirecting resources and making efficiency gains), and accessing external funding through partnerships with others.

80. Some councils have a better track record of attracting external investment than others. Typically these are larger, more prominent councils. However, common to all early succeeder councils is their commitment to release internal funds (see Case Study 17, page 47). This internal commitment and understanding should help better place these councils to attract private sector partnerships. These confident councils are clear about what they want to achieve and their own capacity to deliver, and so understand the gaps they are seeking to fill. Other more hesitant councils (typically district councils) need more support to achieve this clarity of purpose. Individual smaller councils are also likely to be less attractive to private sector investors. Seeking appropriate opportunities to work together (such as the local partnership pathfinders) will enable these councils to share their own resources and to help strengthen their position to attract external support. This may be done in very simple but effective ways [CASE STUDIES 21 and 22]. For example, one council used basic website information and forms obtained from another more advanced council and managed to achieve a working website within 6 weeks. While councils can take steps themselves to form effective partnerships, it is likely that further central support will be necessary to develop these across sectors.

CASE STUDY 21

Consultation in partnership

Three Rivers District Council is part of an officer-led Hertfordshire County Consultation Network together with the County Council and the Police Authority. Six district council members of this group together with the County Council and the Police agreed a tender specification for the provision of consultation services and undertook a joint procurement exercise. A three-year framework contract was awarded to MORI to include the recruitment of a county-wide residents’ panel as well as separate residents’ panels for each of the participating districts.

This approach reduces costs through economies of scale, encourages co-ordination between different agencies, reduces duplication, and promotes information sharing.

Source: Audit Commission site visits
CASE STUDY 22

Working together through pathfinder initiatives

The Welland Partnership comprises the rural councils of: South Kesteven, Melton, Harborough, Rutland and East Northamptonshire. The project focuses on building community online portals around market towns.

The partnership crosses traditional local authority boundaries and has wide ranging support from a range of organisations and agencies from the public, private, voluntary and community sectors. The project also aims to provide an online planning services facility for viewing, submitting and tracking planning applications and for accepting cash payments.

Access will be available via PCs and touch screen kiosks through one stop shops and the wide network of Post Offices via the Government General Practitioner project.

Cornwall’s hundreds of small, scattered communities suffer from social exclusion and isolation. This project looks to tackle these key issues through a planned and co-ordinated countywide strategy.

As part of the implementation, Cornwall’s district, county and island councils will develop and pilot a multi-function SmartCard for 50,000 residents and visitors. Initially coverage will include tourism, car parking, book borrowing, fare concessions, e-transaction authentication and age-limited counter sales.

Additionally, the project will take local government into five towns with no such presence, promoting e-government and testing its validity in a rural environment.

Source: DTLR, ‘Modern Councils, Modern Services, Access to All’ (Ref. 22) and ODPM, Pathfinder press release (Ref. 32)
There are other barriers as well

There are other barriers as well. Funding is not the only threat councils say they face. In the Commission survey, respondents across all types of councils cite similar barriers as impeding progress on e-government [EXHIBIT 10]. These barriers resemble those cited by central government departments (Ref. 5). Excluding funding, the two most significant barriers are a lack of ICT skills and knowledge among staff, and staff reluctance to change.

**EXHIBIT 10**
**What do councils see as the main barriers to delivering the e-agenda?**

Excluding funding, councils cite a lack of ICT skills and knowledge, and a reluctance to change as the most significant barriers.

Note: N=354. Barriers cited by greater than 9 per cent of interviews (unprompted question).

Source: Audit Commission survey commissioned from MORI. For further information see http://www.audit-commission.gov.uk/itc/egovernment.shtml

Chapter 3 showed that the early succeeders were managing to tackle these barriers but that, on the face of it, other councils were being held back by them or prevented from exploiting the full potential of ICT. However, the Commission’s analysis shows that for these less successful councils it is more than just these barriers impeding progress. There is also an underlying tension preventing them from moving forwards, created by a lack of understanding of, and engagement with, the e-government agenda.
Chapter 1 set out the challenge councils face in making the connection between service priorities and the potential of technology to help to deliver them. To do this well requires an understanding of strategic priorities and a specialist knowledge of technology in equal measures. This study found that people with that combination of skills are rare, and that for as many as one-third of councils accessing the specialist knowledge alone might be difficult. Given these constraints some councils are struggling to understand how e-government can underpin existing priorities for service improvement. For these councils, e-government feels very separate to the core business of the council.

**What does this look like in practice?**

In the Commission’s survey nearly all chief executives agree that e-government contributes to the overall objectives of their council, but 58 per cent simultaneously say that there are more important priorities. This is more likely to be the case for the hesitant councils identified in Chapter 2. Only 2 per cent of chief executives and e-champions cite local targets for e-government, an indication that e-government is not fully understood as core to service delivery. Fieldwork also showed that e-government can sometimes feel marginal to core services, particularly for council members [BOX M]. In a recent SOCITM survey of ICT

**BOX M**

**E-government can sometimes feel marginal to improving core services**

‘Members are interested in technology but not engaged with its potential.’
CEO, site visit council

‘The senior management team is committed to e-government, but some members find it hard to understand where technology could ultimately go.’
Executive director, site visit council

‘Poor member understanding means that they don’t prioritise resources for ICT development. They have not experienced the real “hits” achieved by new systems and need to be clear about what these are so that their confidence is boosted. At a superficial level, there is little for the people who will re-elect them to see.’
Executive director, site visit council

‘Members are not prepared to do anything in terms of committing money to e-government until they understand its implications. They are overwhelmed with financial problems and can’t see past mainstream services.’
CEO, site visit council

‘Members want to get core services right first, [they] don’t want to put money into ICT investment.’
CEO, site visit council
managers, 86 per cent of members were rated as having either a poor or patchy understanding of their e-government agenda (Ref. 33). A lack of member engagement risks the development of a vision that is not relevant to local needs and is unlikely to be delivered without resources being released.

**The balance of activity is around improving access, not improving services**

‘[We are] keeping tunnel vision and delivering the front end.’

Council officer, site visit council

85. Chapter 1 showed that there are many expected benefits of e-government, notably helping to improve both access to and the quality of services. It emphasised that improving access alone is not enough. **People do not want improved access to poor services.** Many councils recognise that e-government objectives should reflect both dimensions: when asked in the Commission’s survey, 45 per cent of e-champions said the key objectives of their e-government activities were improving access to services and 33 per cent the delivery of responsive and effective services.

86. However, does current activity reflect these dual objectives in practice? Early indications are that the underlying tension present in some councils prevents them from fully exploiting the potential of ICT. For these councils it can be said that most projects aim to improve access but not necessarily to improve services. A review of current activity undertaken as part of the commissions survey shows that projects to improve access to services, including for example the development of contact centres, one-stop-shops and kiosks, make up 15 per cent of current projects. A further 25 per cent of projects focus on website development. All of the existing websites provide access to councils’ information, but few provide more than this. Taken together these activities represent the biggest proportion of existing work.¹

¹ Other activities include improving ICT infrastructure, e-procurement, video conferences, internet access for councillors and staff, and document management systems.
The focus on improving access is understandable, as these projects are more outwardly visible to the customer than ones that improve the way services are delivered. They can also produce some quick and relatively easy wins, for example, providing people with key local information on a council’s website and with one contact number for all council services.

However there is a risk that to focus solely on the front-end can lead to problems in maintaining and improving service levels, as the back-office struggles to meet demands. Making access easier can lead to significantly increased demand as people are encouraged, and able to, ‘get through’ to the council. If councils have not anticipated this demand then this could lead to work overloads for staff and poorer services for customers. For example, to meet its response time targets, staff at one council reported putting telephone customers on hold to take other calls; transferring calls through to service professionals without first understanding the customers’ needs and identifying if they could help; and logging incomplete details of enquiries.

Many have yet to challenge existing services

For many, the focus of contact centres and websites is only the provision of a joined up front end for customers, such as having one telephone number for all council services. Staff answering the calls are able to answer a number of basic service enquiries through access to individual back-office systems, but are often unable to provide a satisfactory outcome without referring the caller on. All websites now allow the user to access some council information but not all allow them to conduct services online (Ref. 25).

Enabling contact centre staff to deal only with simple transactions and services does not require service professionals to challenge existing ways of doing things. Nor does it require the degree of knowledge sharing, training and systems integration that would be needed if the customer’s enquiry were to be resolved at first point of contact. For example, at one council people are able to order and renew library books online or over the telephone. These high-volume, simple transactions are dealt with quickly and easily at the customer’s first point of contact. However people cannot pay library fines on overdue books in the same way but instead (before they are able to renew a book) must go in person to their local library to pay their fine.
While there are already benefits arising from these activities, the full potential of technology is not being exploited. Less is attempted and therefore less is delivered. This study is not advocating that councils should rush to adopt leading edge technologies and try everything at once. Implementation of councils’ e-government programmes needs careful planning. However, the study also highlights the features that are allowing ‘early succeeders’ to make progress. Key to this progress is making the connection between local priorities and the potential of ICT to help to deliver these. It is when this connection is missing that e-government starts to feel separate from core council business.

Some have more ambitious plans but are still experiencing difficulties

Contact centres and websites can enable much more than just improved access. Some councils are using or plan to use customer relationship management (CRM) systems that are fully integrated with core back-office systems. This will enable staff in contact centres to answer a diverse range of queries and meet customer needs without referring the customer onwards to service professionals. These councils also plan to integrate their websites with back-office systems allowing people to conduct service transactions online at times and in places convenient to them. This also means that service managers are able to access centrally collated, robust management information relating to levels of service demand and complaints, allowing continuous improvements to be made.

Achieving this level of wholesale integration exposes the complex organisational challenges that councils face in delivering e-government. Integration will require councils to break down professional barriers. Service professionals will need to be convinced that some service issues can be efficiently dealt with by generic staff and that this provides an opportunity to rethink how services are delivered to support the customer-facing ‘front-end’. But this is not easy. For example, one council proactively involved both front and back-office staff in implementing the contact centre from the outset. Good relationships between the two were developed as service professionals trained front-office staff in both their ICT systems and in the services themselves. However, as front-office staff struggled to cope with service demands, mistakes were made and each side lost confidence in the other. Consequently some service professionals have withdrawn their support and training, and front-office staff (particularly new staff) are ill-equipped to undertake their roles effectively. This in turn has led to further inefficiencies and seen the role of the contact centre not grow but rather reduce. This reinforces the importance of engaging staff in the whole change process.
Sustaining a focus on what matters

It is important that councils do not lose sight of what matters most for local people [EXHIBIT 11]. To do so they must have in place a strong performance management framework. In a joint review of improving performance measurement (Ref. 34) the Commission and the IDeA report that effective reporting, monitoring performance and taking action are essential aspects of managing services and delivering improvements. This is equally true for e-government and without this councils risk a worst-case scenario of implementing projects which deliver nothing but better access to poor services.

EXHIBIT 11
Sustaining a focus on what matters
Councillons must put in place a strong performance management framework enabling them to assess the true impact of activities on service outcomes.

Source: Audit Commission analysis
Even early successes are struggling to maintain this dual focus on improving access and improving quality. Often improving services trails behind as a result [CASE STUDY 23].

‘We’ve got a pantomime horse here, where the front’s roaming away from the back.’

Council member, site visit council

CASE STUDY 23

Improving services can trail behind improving access

One council launched its contact centre with no performance targets or monitoring systems in place. As a result early difficulties with the delivery of the centre went unnoticed. The Council had underestimated demand and could not cope with the volume of calls being received. Customers were waiting a long time for calls to be answered or calls were not being answered at all.

‘No-one looked for a long time at how it was working below the surface.’

Contact centre employee

The Council has subsequently introduced targets for response times and throughput of calls. Performance against the targets is monitored weekly by the contact centre manager, and by the Chief Executive and Members. Delivery against the targets has been achieved; the percentage of calls answered within 15 seconds has increased from 40 per cent to 97 per cent, against a target of 90 per cent.

However, staff feel that the focus is now all on response times and throughput targets.

‘We can’t not deliver in terms of answering phones.’

Executive director

As a result, the quality of response has suffered and staff behaviour has changed to prioritise speed above customer care.

‘...the emphasis is on quantity rather than quality.’

Team leader

Anecdotal evidence is of some staff forwarding calls that they could have dealt with, putting customers on hold to answer other calls, forwarding calls incorrectly to back-office staff who simply take messages and delaying call completion work.

The overall impact of the targets on customer service is unknown. More people will be getting through to the contact centre but are they satisfied with the quality of their contact with the Council?

Targets are a necessary part of this performance management framework. This study has shown that very few councils cite local e-government targets. But in a joint report on using performance measurement (Ref. 35) the Commission and the IDeA described effective performance measures as ones that are linked to councils’ priorities. Setting national measures and local e-government targets that relate clearly to outcomes is not easy. It is still relatively early days in terms of delivery, making the development of outcome measures for e-government as a whole agenda difficult. Also, e-government is central to the Government’s modernisation programme and as such it is difficult to
differentiate between outcomes for this programme as a whole and those for e-government. Understandably it is easier to develop process measures and targets, such as the BVPI 157 and the 2005 target.

97. But councils can develop some clear output and outcome measures and targets for individual e-government projects. Setting local measures and targets will encourage councils to think through and to understand what the e-government agenda means for them and so drive activity towards meeting local priorities. There need not be many. The Commission and IDeA report that, when the best way to measure performance is not easy to identify it is often better to focus on a few indicators initially and improve them in light of the experience (Ref. 35). Those that are set should be understood and owned by staff. Important measures to consider are customer take-up of access channels and cost-efficiencies.

98. Outcome measures reflecting quality of service delivery are harder to define. A few councils had used, with some success, the rate of first point of contact resolution. An important indicator is customer satisfaction but it is recognised that this is extremely difficult to measure in a meaningful way (Ref. 36). The study team identified one council that monitored ‘failure demand’ to improve services [CASE STUDY 24]. The next useful step would be to use this information to set improvement targets for failing services.

CASE STUDY 24

Effective, ‘low-tech’ monitoring: measuring failure demand

Tameside Metropolitan Borough Council identified that its one-stop-shop and contact centre could not only help to improve access to services but also provide an effective way of improving the quality of services delivered by ‘exposing’ the back-office. The Council decided that more use could be made of customer information to identify and prioritise the services that needed to improve. It also decided it wanted this information quickly, without introducing CRM software.

A field was added to the database accessed by all customer contact staff allowing them to capture the reason for phone calls and visits to the one-stop-shop and call centre. By analysing why people were contacting it, the Council was able to identify how many calls or visits were because of a failure in service delivery. These ‘measures’ of failure demand are displayed in performance league tables.

‘[We have a] three stage approach – identify most common sources of failure, eliminate them, reduce demand.’

CEO

This information showed that very large numbers of repeat visits and telephone calls related to housing benefit cases. This led to a reorganisation of the processes involved and performance dramatically improved.

Source: Audit Commission site visits
99. Setting targets alone is the first step. Councils need to monitor progress against these targets and challenge and review whether their objectives are being met. Given that it is still early days for delivery and that success for many is still unclear, councils must check that what they are delivering is still relevant to what people want.

100. Despite setting targets some councils are not adequately monitoring and evaluating progress against these. Others are not evaluating their projects at all. Councils are also not making the most of management information to set stretching targets to improve service delivery [CASE STUDIES 25 AND 26].

### CASE STUDY 25

**Setting challenging targets but not making the most of information to improve services**

**One council** monitors the performance of its call centre closely. Internal and external monitoring arrangements show high levels of performance against targets.

However, there are frustrations arising: there are differing views across the Council of what success for the call centre looks like; there is a perception from call centre staff that many calls are due to failure in service delivery elsewhere in the council; and call centre staff are frustrated that ‘back-office’ staff do not always appear to deliver the quality of service customers are expecting.

These frustrations could be overcome if the Council reviewed wider qualitative aspects of performance such as:

- The nature of calls – there is no systematic logging or analysis of calls, including the number resulting from ‘service failure’.
- Levels of first point of contact resolution from the perspective of the caller. The Council has agreed ‘cut-off’ points that set out which service aspects can be dealt with in the front-office and which should be referred on to a service professional. The front-office staff count a referral made to service professionals in agreement with this ‘cut-off’ as first time resolution. But the customer in the meantime has been referred on.
- The quality of service delivery provided by ‘back-office’ staff after calls have been forwarded.
- How well the centre meets its key objective to improve access to the Council and its services for residents as a whole as well as for call centre users.

“You need to focus on the quality of the service being delivered, not just the numbers.”

**Middle manager**
Councils are being challenged to make the connection between council priorities and the potential of technology to help deliver them. To do this effectively means setting challenging objectives, and providing strong leadership to encourage local ownership and build capacity. However, this alone is not enough. Councils must have a performance management framework that sustains their focus on what matters most for local people.

This study shows that some councils are making good progress with e-government and lessons can be drawn from their experiences. If e-government is really to deliver the benefits that central and local government believe it can then councils must:

- understand how to exploit the potential of technology to help meet the needs and expectations of local people (Chapter 1);
- develop a practical vision for e-government that underpins their existing core objectives (Chapter 1);
- put in place the key features for change, in particular leadership, local ownership and capacity building to tackle key barriers to delivery of successful e-government (Chapter 3); and
- sustain a focus on what matters to local people by setting challenging targets for delivery and regularly evaluating whether what is being delivered continues to meet the expectations of local people (Chapter 4).

These four stages of implementation are equally important. This chapter has shown that even the early succeeders that have harnessed the potential of technology to meet local priorities and have put in place the key features to implement their visions, find it difficult to sustain a dual focus on improving access and improving services without strong performance management. As a result, projects could be delivered that do not meet local needs.

This chapter has focused on what councils can do to help themselves. Chapter 5 explores what further support is needed from central government and external agencies.

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**CASE STUDY 26**

**Not making the most of information to improve services**

One council receives a high volume of calls made by benefit claimants asking when they will be receiving their benefit. After initially being unable to answer, contact centre staff are now able to tell them the number of weeks it will take to process their claim. However, the Council has not tried to identify the reasons why there are so many enquiries of this nature. Claimants still need to call in order to find out when their benefit will be paid.

*Source: Audit Commission site visits*

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**Learning from each other**

**These four stages of implementation are equally important.**

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Where Next for Local E-government?

There is a clear risk that for many councils e-government could mean improved access, but to unimproved services. The Government has recently set out a national strategy for local e-government but more needs to be done. Central government must develop better measures of success that encourage councils to take local ownership of e-government. Councils need help to access the vital combination of ICT skills and business competencies to develop a realistic understanding of what can be achieved locally.
The key driver for e-government should be improved quality of services for local people. This is widely accepted and there is encouraging progress by some councils. However, while it is still early days, hesitant councils are focusing their efforts on meeting the Government’s 2005 target. For many, existing services remain unchallenged and there is a clear risk that for these councils e-government could mean improved access to unimproved services.

So far this report has focused on councils’ performance and progress. But councils cannot, and should not, go it alone. The recent White Paper – *Strong Local Leadership – Quality Public Services* (Ref. 1) – makes it clear that e-government is not just a vision for local government but a vision based on a partnership between central and local government. This chapter looks at whether central targets have helped focus council e-government activities on delivering improved services and at the role of central government and national bodies in helping local government to move the agenda on.

The setting of realistic and ambitious targets is central to any good performance management framework and plays a key role in challenging organisations to deliver and improve. The Government’s 2005 target has kick-started progress for some councils and accelerated it for others. But does it encourage councils to exploit technology to deliver improvements to the ways services are delivered?

**The role of targets**

The 2005 target has kick-started activity for most, and accelerated progress for some

For a few councils, the exploitation of ICT formed an integral strand of their improvement agendas before e-government was even articulated. These early succeeders have been employing, or thinking about employing, new technologies to improve the accessibility, quality and cost-effectiveness of their services for some time. The 2005 target did not change their plans but may have accelerated them, as these councils are well placed to take advantage of the additional funding and support that has been made available through the e-government agenda. For some councils this has been clearly set out in the stretch targets they have identified in their LPSA.

‘The e-target [and IEG] has been useful to me to audit systems within the council, it has provided me with a very useful management tool.’

CEO, site visit council
'[The IEG] is the biggest leverage on service departments now. They committed in writing to it so we can use this to push departments.'

Call centre manager, site visit council

‘Targets have made us work more quickly.’

CEO, site visit council

However, for most councils the 2005 target has helped to kick-start activity. When asked in autumn 2001, over half of councils in the Commission’s survey\(^1\) said that work to deliver their e-government strategies had only started in the previous 12 months. For some the target – together with other central government initiatives such as the IEG statements and the pathfinders – has also raised the profile of e-government with senior officers and members. It has enabled e-government to become an issue for the ‘top team’ not just for the ICT department [BOX N].

BOX N

Central initiatives have helped raise the profile of e-government within councils

‘Everyone is hoping that the IEG statement and plans resulting from this will drive things forwards.’

Information, monitoring and research manager, site visit council

‘IEG statements are the one good external thing. It put [e-government] on others’ agenda.’

Call centre manager, site visit council

‘[Being a beacon authority] brings out the staff and makes what they are doing have some worth…it really shines out in those areas and makes people keen and eager.’

E-champion member, site visit council

Targets are often a necessary catalyst for action and there is strong evidence that this has been the case for e-government. However, compliance with targets will only deliver the desired outcomes if the targets themselves are SMART – Specific, Measurable, Achievable, Relevant and Timed – and critically if targets form part of a wider local performance management framework. The following section explores whether this is the case for e-government.

\(^1\) The first phase of the survey included 174 officers from a representative sample of 60 councils.
The target is widely criticised but drives the activities of many

111. The 2005 target has been the subject of much debate in both central and local government [BOX 0].

BOX 0

Debate around targets

‘The availability of electronic services itself tells us nothing about how often they are used, or what it feels like to use them.’

ODPM, e-gov@local (Ref. 4)

‘There is … a risk that services are delivered electronically but not used by citizens. [Government] departments, therefore, could meet the service delivery target and the full benefits of e-government may not be realised. This suggests that the target may need to be refined to include measures of take up of electronic services.’

NAO, Better Public Services Through E-government (Ref. 5)

‘You need an aspirational target and a challenging target. But there is a risk that it will encourage authorities to put online existing services without really thinking about new ways of providing services. Doing that would meet the letter of the 2005 target but it would ossify services and stop them being joined up.’

John Thornton, Director of E-government, IDeA (Ref. 37)

112. At the heart of this debate lie two key issues. The first challenges whether it is realistic to set a single target, and such a broad one, to reflect the ambitious goals and complex agenda of e-government. The second reflects concerns that the target will encourage councils to get services online rather than to harness the potential of new technologies to help meet local needs. This latter concern echoes what is happening on the ground: the target is driving the majority of a local e-government agendas [EXHIBIT 12, overleaf] and in doing so focusing efforts on improving access to, not the quality of, services.
Government targets are driving local agendas

Councillors are overwhelmingly focusing on meeting the Government’s 2005 target.

Note: N=332.
Source: MORI survey commissioned by Audit Commission

Current measures do not reflect service quality outcomes

113. The target has been useful in getting councils to appreciate that new technologies have a significant and increasing role to play in improving services and for encouraging action. BVPI 157 has also provided the Government with a means of measuring local authorities’ performance. However, the target does not reflect service quality outcomes and is therefore not encouraging councils to challenge and improve services.

114. The Government has recognised these issues and has asked for views on developing outcome measures in its recent consultation strategy for local e-government (the consultation strategy) (Ref. 4). Views are sought on developing measures for take-up of e-enabled services, the extent to which services are joined up, and the quality of customer service, or their satisfaction with the outcome. The Commission welcomes the opportunity for formal debate on these issues\(^1\) and agrees that in principle these suggestions would reflect a better balance of outcome measures.

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\(^1\) The Commission has submitted a separate response to this consultation document.
A balance of central measures and locally set targets is needed

115. The consultation strategy also reinforces that the vision for e-government should be based on partnership between central and local government. In this context, it is appropriate that a balance of national and local levers drive the agenda. Given that the underlying ethos of e-government is the use of technology to help meet the wants and needs of local people, many would argue that the emphasis should be on local drivers. But for e-government this is not reflected in practice. The Government has encouraged councils to set their own targets for e-government but the national target has taken precedence. Fewer than 2 per cent of councils, when asked in the Commission survey, perceive locally set e-government targets to be as important.

116. Councils must be encouraged to take local ownership of the outcomes of e-government, and at the same time the Government needs to be able to consistently measure progress against a key national priority. To achieve both goals, a few universal measures of progress, that adequately reflect service quality outcomes, might be set nationally. Against these national measures, councils can then set local targets. For example, if a national measure is the take-up of online services, then targets should be set by councils that reflect local circumstances such as people’s access to the internet and use of particular services.

Targets are one part of a bigger picture

117. This section has recognised the importance of targets that are both nationally and locally driven. However targets form only one part of a bigger picture of encouragement and support. As evidenced already by the focus on the 2005 target, there is a danger that undue focus is given to setting and monitoring targets and not enough to delivering the desired outcomes.

‘There are fears that ministers’ reliance on yet another set of targets is reinforcing this lowest common denominator approach.’

Source: LGA, Opportunity to Prosper [Ref. 38]

‘My worry is that we’ll spend the next two years arguing over what we want to measure, how we do it, and so on...I would rather accept that (BVPI) 157 is a crude measure, we look at how we e-enable and don’t worry about a tick in the box.’

Source: John Thornton, Director for E-government, IDeA [Ref. 37]
Central efforts need to extend beyond targets to providing support and development, particularly in those areas where councils are struggling. In its recent e-government consultation strategy the Government recognises that it has a central enabling role to play for all councils.

‘Within a national framework of priorities and standards, local authorities and LSPs (local strategic partnerships) can determine most effectively where the greatest improvements in service, accountability and leadership can be delivered, and how to join up services to meet the needs and priorities of their local communities. Central government’s role is to create the environment where this can happen.’

Source: ODPM, e-gov@local (Ref. 4)

The Government acknowledges the autonomy of local authorities in delivering this agenda but recognises that it needs to provide a framework of policies and standards – including developing technical standards, information sharing protocols and a national infrastructure – to support them in doing so. The OeE has been working with public and private sector partners to develop this framework.1

An important feature of this common framework is the co-ordination and dissemination of learning from those councils that are further advanced.

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1 Key initiatives include the Government gateway, UK Online, The Government Portal, Broadband and technical and data standards. Specifically for local authorities the Government has been working with the IDeA on the National Land and Property Gazetteer (NLPG), the National Land Information Service (NLIS) and the Local Authorities Secure Electoral Register (LASER). This report does not look at these centrally driven initiatives in detail. Further information on these initiatives can be found at www.e-envoy.gov.uk and at www.idea.gov.uk
Understanding what works well and what works less well is critical

121. Continuous review and evaluation are needed not just for e-government but for all policy implementation. The Performance and Innovation Unit reinforces this in its discussion paper, Better Policy Delivery and Design (Ref. 39): ‘[Delivery] is best understood not as a linear process – leading from policy ideas through implementation to change on the ground – but rather as a more circular process involving continuous learning, adaptation and improvement, with policy changing in response to implementation as well as vice versa.’

122. The e-government agenda is relatively new and one for which there is no existing blueprint for success but rather an evolving understanding of how it can be delivered. Continuous review and evaluation of what works well and what works less well is critically important in developing this understanding. This report has emphasised the importance of continuous learning through monitoring and evaluation at the local level.

123. However, it is important that learning is shared and sourced more widely than just from within councils. Councils need to learn from each other’s experiences and from those of other public sector agencies, central government and the private and international sectors if continuous improvement is to be made.

124. The Government, together with other central agencies and professional organisations, has already developed and encouraged a wide range of initiatives to share learning, including knowledge networks and conferences (Ref. 5). Key initiatives include:

- The pathfinders programme to develop a set of e-government ‘solutions’ through councils working together. The ODPM intends to develop a catalogue of ‘tried and tested’ products from the experiences of pathfinders.
- A number of formal and informal networks including the IDEa’s e-champion network and Chartered Institute of Public Finance and Accountancy’s (CIPFA) e-government forum.
- The IDEa’s E-government toolkit.
- Promoting e-government (PEG) benchmarking and assessment tools.

125. However, this study shows that there is more to be done to develop a shared understanding of e-government success. Some councils do not have a clear purpose that comes with being able to make the connection between what people want and need and the potential of technology. The learning from these many initiatives should be used to inform this bigger picture for these councils. But learning by example is not going to be enough.
Targeted support is also necessary

126. Within the national framework for e-government there needs to be some differentiation between the level and type of support for individual councils. This study has highlighted that councils are coping with the challenges presented by e-government in different ways. Some are having more success but many are finding it difficult. Government needs to be able to encourage the early succeeders but at the same time focus support in the areas of difficulty for those who are less advanced.

127. Central to the Government’s existing support measures are the pathfinder projects. The pathfinder programme was designed not just to share learning on practical issues but also to develop transferable e-government solutions. Pathfinders include all types of council. In its consultation strategy the Government sets out plans for building on these existing pathfinders and for releasing a further £80 million for national projects. The existing and new projects will cover a diverse range of areas [TABLE 1]. In addition the ODPM is keen to promote and support councils in developing local partnerships and has recently announced the provision of £47 million over the next 2 years to 64 partnership pathfinders, with a further £26 million to be made available this year.

128. Authorities have responded well to invitations to participate in these national initiatives that provide necessary support in a range of diverse areas. However, despite these activities, half of respondents to the Commission’s survey felt that they were not getting enough support from central government (and central agencies) on the e-government agenda.

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<th>TABLE 1</th>
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<tr>
<td><strong>ODPM sponsored National Projects</strong></td>
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<td>The ODPM has set out proposals to sponsor work in nine key areas</td>
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<td>E-business</td>
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Source: DTLR, e-gov@local (Ref. 4)

1 The ODPM have distinguished between phase 1 and phase 2 projects. For phase 1 projects pathfinders are submitting detailed proposals on which the ODPM will consult separately. For phase 2 projects the ODPM is seeking councils’ input.
It is important that the early succeeders on e-government are encouraged and that others can learn from their experiences. However, arguably the early succeeders are better placed to take advantage of the existing central initiatives. Many of these are focused on technology and access channels and require a degree of knowledge in order to participate in any meaningful way. This study shows that ICT knowledge and skills are in short supply and that some councils are struggling to make the connection between the potential of ICT and local priorities. These councils are likely to find it difficult to maximise the learning from national technological initiatives.

It is also important that local champions have access to the necessary support to lead and engage others in the agenda. So far, the targeted support, while wide ranging, has been directed more at people ‘in the know’, that is e-champions. Others who have a critical role to play, and on whose involvement the success of e-government depends, might be left behind. As many as two-thirds of chief executives in the Commission’s survey felt unsupported by central government on the e-government agenda.

There is more to be done to help hesitant councils to understand how ICT can help to deliver local priorities. People with sufficient knowledge of both ICT and business are rare and many members remain unconvinced. If the big vision of better access to improved services is to be realised, then local government efforts and central government support need to be directed at developing a shared understanding of successful local e-government. Key to these efforts is finding effective ways of targeting support at chief executives and members. As this understanding is developed it should enable councils (and others) to set out more robust business cases for e-government.

Conclusion...
## What next for local e-government?

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<th>KEY ISSUE</th>
<th>WHAT LIES BENEATH</th>
<th>ACTION</th>
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| **Moving from hesitant to confident**<br>Some councils are having early successes with the e-government agenda. However, many councils are more hesitant. | Hesitant councils have not owned the agenda as one that they can drive locally. They are finding it difficult to make the connection between local priorities and the potential of ICT to help to deliver them. Without this clear connection, members are less engaged and, when working with private sector suppliers, hesitant councils’ activities are more likely to be driven by the suppliers’ views on what e-government can deliver, perhaps increasing the risk of delivering outcomes that are not wanted locally. Understanding of e-government success comes with the application of ICT skills and business competencies in equal measure. Accessing this combination of skills is likely to be difficult for hesitant councils. | **For councils**
1. Honestly assess their understanding of the e-government agenda. Key questions to ask include:
   - do they see e-government as competing with core service objectives?
   - do they know how their e-government activities will improve their core services and meet local needs?
2. Draw on help from outside to assist their understanding but do this in a way that does not preclude local ownership of the agenda.

| **Moving from confidence to success**<br>Confident councils have the ambition, vision and clarity of purpose to deliver the e-government agenda. They now need to move from confidence to delivery. | Confident councils have equipped themselves with key features of success but now need to move to implementing a complex and potentially expensive agenda. Many chief executives and members are likely to need more support to help deliver their strategies. | 3. Focus on putting in place the key features of change, in particular those of leadership and local ownership. Critically this will include engaging staff in the change process.
4. Honestly evaluate and understand their capacity to deliver their e-government strategies. They need to identify where they can help themselves, as well as where external help is needed to move forwards.
5. When assessing capacity, consider all available funding options including:
   - freeing up and committing internal resources;
   - seeking ways of combining resources by working collaboratively with each other; and
   - seeking appropriate private sector partnerships. |
### What Next for Local E-Government?

**1. The recent national strategy for local e-government sets out a pathway to e-government success but more needs to be done to develop a shared understanding of this success, particularly with hesitant councils.**

**2. Critically help hesitant councils to access, grow and retain the right combination of skills that will assist this understanding and help them to engage senior officers and members.**

**3. Seek effective ways of engaging elected members in an agenda in which they play a key championing and supporting role.**

### Action

**For central government and national bodies**

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**For the Audit Commission**

1. Stimulate debate on how councils can move from hesitant to confident through discussions at an autumn workshop. This workshop will be targeted primarily at chief executives and senior officers of councils but will also seek contributions from other sectors.

2. Help members to tackle the agenda through the production of a councillors’ briefing setting out the key questions councillors should be asking about their council’s e-government plans. This briefing will be targeted primarily at councillors who have limited knowledge of e-government. The briefing will be published in autumn 2002 and will be launched at an evening event for councillors.

**For councils, central government and national bodies**

1. How can confident councils be encouraged to share their skills and knowledge with hesitant councils?
   a. Should central government set out stronger expectations for councils involved in national initiatives to work with and support others?
   b. Would a structured peer review and support process (perhaps as part of existing national programmes) provide a useful framework for this sharing of knowledge and skills?

2. Learning needs to be shared and sourced more widely than just from within local government. What more should be done to help hesitant councils access skills from the private sector, but simultaneously retain local ownership of the agenda?
   a. Should a greater emphasis be placed on the need for councils to work together in negotiations with the private sector?
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2. Critically help hesitant councils to access, grow and retain the right combination of skills that will assist this understanding and help them to engage senior officers and members.

3. Seek effective ways of engaging elected members in an agenda in which they play a key championing and supporting role.

4. To inform understanding of local government’s capacity to deliver and to inform their decisions on future support needs, ensure that the evaluation of existing national initiatives incorporate a strong element of capacity assessment.

5. Enhance existing support measures and initiatives by seeking effective ways of targeting support at chief executives and members.

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   b. Should central government and national bodies do more to help facilitate these negotiations?

3. Contribute to the debate on private sector involvement in e-government through discussions with key private sector suppliers in autumn 2002. Key messages will be disseminated more widely at an autumn workshop.

4. To inform understanding of local government’s capacity to deliver and to inform their decisions on future support needs, ensure that the evaluation of existing national initiatives incorporate a strong element of capacity assessment.

5. Enhance existing support measures and initiatives by seeking effective ways of targeting support at chief executives and members.

### Action

**For central government and national bodies**

1. The recent national strategy for local e-government sets out a pathway to e-government success but more needs to be done to develop a shared understanding of this success, particularly with hesitant councils.

2. Critically help hesitant councils to access, grow and retain the right combination of skills that will assist this understanding and help them to engage senior officers and members.

3. Seek effective ways of engaging elected members in an agenda in which they play a key championing and supporting role.

4. To inform understanding of local government’s capacity to deliver and to inform their decisions on future support needs, ensure that the evaluation of existing national initiatives incorporate a strong element of capacity assessment.

5. Enhance existing support measures and initiatives by seeking effective ways of targeting support at chief executives and members.

**For the Audit Commission**

1. Stimulate debate on how councils can move from hesitant to confident through discussions at an autumn workshop. This workshop will be targeted primarily at chief executives and senior officers of councils but will also seek contributions from other sectors.

2. Help members to tackle the agenda through the production of a councillors’ briefing setting out the key questions councillors should be asking about their council’s e-government plans. This briefing will be published in autumn 2002 and will be launched at an evening event for councillors.

**For councils, central government and national bodies**

1. How can confident councils be encouraged to share their skills and knowledge with hesitant councils?
   a. Should central government set out stronger expectations for councils involved in national initiatives to work with and support others?
   b. Would a structured peer review and support process (perhaps as part of existing national programmes) provide a useful framework for this sharing of knowledge and skills?

2. Learning needs to be shared and sourced more widely than just from within local government. What more should be done to help hesitant councils access skills from the private sector, but simultaneously retain local ownership of the agenda?
   a. Should a greater emphasis be placed on the need for councils to work together in negotiations with the private sector?
   b. Should central government and national bodies do more to help facilitate these negotiations?

3. Contribute to the debate on private sector involvement in e-government through discussions with key private sector suppliers in autumn 2002. Key messages will be disseminated more widely at an autumn workshop.

4. To inform understanding of local government’s capacity to deliver and to inform their decisions on future support needs, ensure that the evaluation of existing national initiatives incorporate a strong element of capacity assessment.

5. Enhance existing support measures and initiatives by seeking effective ways of targeting support at chief executives and members.
<table>
<thead>
<tr>
<th>KEY ISSUE</th>
<th>WHAT LIES BENEATH</th>
<th>ACTION</th>
</tr>
</thead>
</table>
| Delivering the spirit of the policy not the letter of the target.         | Many councils are struggling to maintain a dual focus on improving access and improving services and many are unduly focusing on meeting the Government’s 2005 target. The level of wholesale integration of front and back-office that successful e-government demands, exposes complex organisational challenges. This will take time to do well and many councils are finding it difficult. Developing outcome measures for e-government as a whole agenda is not easy. Few councils have set local targets for e-government and even some of those with targets are not adequately monitoring and evaluating progress against these. | 6. Prioritise implementation of their e-government strategies over realistic timescales. Implementation strategies should focus on both improving access and improving quality.  
7. Set challenging local outcome targets for individual e-government projects and review and monitor progress against these.  
8. Regularly evaluate whether what is being delivered continues to meet the developing expectations of local people.                                                                                                                                                                           |
<p>| Developing the business case                                             | Evidence supporting the business case for e-government across local government is weak. E-government is a relatively new agenda and there is no blueprint for success. It will be difficult to distinguish outcomes for the Government’s modernisation programme as a whole and those of e-government. Within this context, councils are finding it difficult to undertake robust cost-benefit analyses to support e-government strategies. They are not alone in this. | 9. Set out a clear rationale for investment decisions. Cost efficiencies need not be the main driver. Instead councils might want to redirect freed up resources to improving and extending services. However, the rationale should identify the cost of the investment, how the investment will be funded, whether savings are anticipated, and the expected productivity improvements. |</p>
<table>
<thead>
<tr>
<th>ACTION</th>
<th>ACTION</th>
<th>ISSUES TO CONSIDER FURTHER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>For central government and national bodies</strong></td>
<td><strong>For the Audit Commission</strong></td>
<td><strong>For councils, central government and national bodies</strong></td>
</tr>
<tr>
<td>6. Be realistic about when the benefits of e-government can be fully realised. 7. Develop a small number of national outcome measures against which local progress towards access and service improvement can be monitored.</td>
<td>4. Explore how e-government progress can be incorporated into Corporate Performance Assessment (CPA) as it is refined and developed.</td>
<td>5. Government has sought views on developing additional outcome measures in its recent national strategy for local e-government. Once these views have been collated, what will be the best vehicle for developing these outcome measures? Should they be defined in partnership with those involved in national initiatives such as pathfinders or would they be best defined in partnership across all councils – hesitant, confident and early succeeders?</td>
</tr>
<tr>
<td>8. Support councils in understanding the business case for e-government by seeking effective sources of learning and support across all sectors.</td>
<td>5. Look for sensible ways of supporting the development of robust business cases for e-government. 6. Consider further ways the Commission could input constructively into the e-government agenda across all public services. This will be informed by the work done for this study (including views expressed on this study’s evaluation survey <a href="http://www.audit-commission.gov.uk/itc/egovernment.shtml">http://www.audit-commission.gov.uk/itc/egovernment.shtml</a>), views of internal and external stakeholders, and our response to the national strategy for local e-government.</td>
<td>6. What further support should be planned to help develop the local business cases for e-government? a. Should all partners consider further what support they could offer? A useful start might be to map out the work of key national bodies in this field. b. Subject to duplication of efforts, should Government and/or national bodies provide guidance to include, for example, worked examples of robust cost-benefit analyses disseminated through workshops and seminars.</td>
</tr>
</tbody>
</table>
Appendix 1

Study methodologies

This report draws on a wide range of evidence, including:

- Site visits of between three and four days and one visit of one day in 12 authorities across England, including interviews with officers and members, focus groups and document reviews.

- A telephone survey commissioned from MORI to 354 council officers from a representative sample of 120 councils across England conducted in two waves between 19 September and 25 October 2001 and 4 February and 12 March 2002. In each council, interviews were sought with the Chief Executive, E-champion officer, and departmental officer with involvement in the e-agenda.

- A survey of literature on effective e-business in the private sector, commissioned for the study.

- Interviews and workshops with key stakeholders including ODPM, OeE, IDEAS, LGA, and colleagues in audit and inspection.

- Seven focus groups of local people facilitated by MORI in four site visit councils.

- Analysis of a sample of relevant inspection reports by the study team.

- Review of national data on citizen views of improvements to public services and channel preference and usage.

- A research review of citizen surveys looking at public service improvement and e-government, commissioned from MORI.

- A web-based user survey of two council websites conducted between March and April 2002, commissioned from MORI.

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1 The policy framework for e-government in Wales is different from that in England. While this report highlights issues that will be relevant to Wales, its evidence is drawn only from English councils, and its recommendations are addressed to English stakeholders.
Appendix 2

Acknowledgements

The Commission would like to thank the organisations and individuals who have helped with the production of this report, in particular the councils that took part in the fieldwork and national survey, and those who provided comments on our consultation draft.

The study team sought views from a wide network of advisers including: Glyn Evans (London Borough of Camden), Jim Haslem (President of the Society of IT Managers and London Borough of Bromley), Janice Morphet (Office of the Deputy Prime Minister Modernisation Team), Liz Hobson (Local Government Association), Tony Teehan and William Barker (Office of the e-Envoy), Fred Baron (Improvement and Development Agency), Nick Lacy and Caroline Jackson (National Audit Office), and Andrew Collinge and Andrew Zelin (MORI).

The study drew on expertise from across the Audit Commission including inspectors, auditors and central directorate staff. The study team consisted of Jenny Crighton, Fran Keene, Daniel Smith, Angela Watson and Helen McMahon, under the direction of Morag MacSween and Peter Thomas.

Responsibility for the content and conclusions in this report rests with the Commission alone.
New technologies have the potential to improve public services even if the public do not use the technology themselves. However, to make the most of new technologies, councils should encourage and support local people in using them. Given this, this appendix summarises and draws headline messages from the Audit Commission’s (the Commission) research into key sources of information on people and their use of information and communications technology (ICT). This included:

- a desk review of information from Government sources, market research sources and academic literature;
- an analysis of MORI Technology Tracker data from April 2002 (Ref 1); and
- an analysis of data from research undertaken by the market research company bmg for the DTLR as part of the e-government pathfinder initiative (DTLR user survey) (Ref 2).

The research looks at people’s:

- current access to ICT;
- current preferences for contacting their local council; and
- attitudes towards ICT and future use.

Councils should consider these findings in relation to their local circumstances. In particular, this information should help councils when considering:

- the likely take-up of their e-government initiatives;
- whether further consultation in this area will add to the existing body of information; and if so
- to inform further consultation.

Current access to ICT

Research shows that access to ICT varies by key demographic factors, such as household income and age. When considering the likely take-up of e-government projects, councils should consider the demographics of the potential client group. This section looks at people’s current access to the internet, telephone and banking facilities. Banking facilities are included because they are required for all payments over the telephone or internet.

many people already have access to the internet...

At the end of April 2002, the Office for National Statistics (ONS) estimated that by February 2002 between 54 per cent and 58 per cent of adults had accessed the internet at some time (Ref. 3). In addition, they estimated that during the last quarter of 2001 between 37 per cent and 41 per cent of UK households had home access to the internet. For this study, the Commission analysed MORI’s April 2002 Technology Tracker data and found that between 45 per cent and 48 per cent of English adults had access to the internet either at home or at work (Ref. 1).

...and this seems set to grow

The internet has become the fastest growing technology in world history (Ref. 4) and this seems set to continue. The ONS note that it is continuing to attract new users: 10 per cent of those who stated they had accessed the internet at the time of the last survey were doing so for the first time within the previous three months (Ref. 3). A recent e-government survey (Ref. 5) found that of those who did not have internet access at the time of the survey, 26 per cent felt they would have access within the next three years. Almost all school children now have internet access: over 99 per cent of secondary schools and 96 per cent of primary schools are connected to the internet (Ref. 6).

Broadband access – currently at approximately 3 per cent of internet users according to telecommunications providers (Ref. 7) – in particular is growing: ‘with over 20,000 broadband connections a week, the current level of growth outstrips the equivalent demand for mobile phones and dial-up internet when they were first introduced’

Dave Edmonds, Director General of Telecommunications, OFTEL, (Ref. 8).

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I Publishes data on internet access on a quarterly basis. The reports are available to download free of charge from their website (www.statistics.gov.uk).

II Estimates are 95 per cent confidence intervals.

III MORI conduct a monthly technology tracker survey. The headline results are available on their website (www.mori.com/emori/tracker.shtml).

IV Broadband is the term used to describe a wide range of technologies that enable high-speed, always-on access to the Internet. (Office of the e-envoy).
‘Eventually it will come, in ten years’ time. I think the vast majority will have access.’

Service user, site visit focus group

‘Yes the average age in the village is declining so probably more people will be online in the future.’

Service user, site visit focus group

Using demographic factors to predict access to the internet

The Commission explored whether and how demographic factors such as age and household income are related to internet access (Ref. 1). All the demographic factors included in the model contributed to predicting internet usage, after adjusting for the effects of all the other factors [BOX A1].

This model can be extended to demonstrate that after accounting for the effect of these demographic factors, internet usage varies by region (Ref. 1). Those in the North East and the North West (Government Office Regions) are less likely to have internet access, over and above any differences resulting from differences in demographic factors (as measured by the Technology Tracker survey) between regions.

Access to the telephone is universal

Using the MORI Technology Tracker data, it is estimated that between 0.7 per cent and 1.4 per cent of the adult population have no fixed line telephone or mobile phone (Ref. 1). So, for instance, within a typical unitary authority with a population of 145,790 adults[II], between 1050 and 2030 would not own a telephone. It was shown that (after accounting for the effects of all the other demographic factors) only income is related to telephone ownership: those on low incomes (less than £9,500) are less likely to have a telephone (Ref. 1).

BOX A1

Factors affecting internet usage in descending order of importance

1. Socio-economic group: people in higher socio-economic groups are more likely to use the internet
2. Working status: people working are more likely to use the internet than those who are not working and students are more likely than non-students to use the internet
3. Household income: people benefiting from a higher household income are more likely to use the internet
4. Age: younger people are more likely to use the internet
5. Educational Qualifications: people with higher educational qualifications are more likely to use the internet
6. Tenure: people living in rented accommodation are less likely to use the internet
7. Ethnicity: people from ethnic minorities are less likely to use the internet
8. Sex: men are more likely to use the internet than women

Source: The Audit Commission Analysis of MORI Technology Tracker data April 2002

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**Access to banking facilities is variable**

To make use of some e-government initiatives such as paying parking fines, council tax or rent on a council’s website, people require banking facilities. Not everyone has these facilities. A recent Department of Works and Pensions research report (Ref. 9) notes that 94 per cent of the population had a bank or building society in their household, compared with only 78 per cent of benefit recipients. The report also notes that local authority housing tenants are also less likely to have a bank account.

**Contacting the council – what do people say they do now?**

The previous section was concerned with people’s current access to ICT. This section looks at why people might want to contact their council and other government services and their current methods of doing so. This information is useful for prioritising improvements to access of services.

**Contact with the council might be related to lower satisfaction**

The Commission’s analysis of the DTLR user survey found that respondents who had contacted their council gave a lower overall satisfaction rating than those who had not (Ref. 2). This may be because respondents who contacted the council did so to report a service failure or a problem. A MORI review (Ref. 10) shows that satisfaction with the outcome of a transaction is lower than satisfaction with customer care [EXHIBIT A1]. The review argues that this is due to problems with inefficient business processes. A recent report cites a survey (Ref. 11) that claims that people are ‘three times more likely to encounter backlog problems in councils than in any other major service providers’ included in their survey. Collecting data on people’s reasons for contacting their council should give useful management information on the quality of council services (see Case Study 24, page 61).

‘Most people come into contact when they’ve got a problem, don’t they’
Service user, site visit focus group

‘No-one’s complaining about the way they’re dealt with on the phone – that’s all very good. It’s what’s beyond that.’
Service user, site visit focus group

‘I think it is easy enough to contact them [the council] but getting them to do anything is another question.’
Service user, site visit focus group

**The telephone is the most popular method of contacting government**

When looking at people’s current methods of contacting their council, the DTLR user survey (Ref. 12) identified the telephone as the most popular method of contact [EXHIBIT A2].

The DTLR user survey findings correspond to the findings of another recent e-government survey (Ref. 5) when respondents were asked how they had contacted government agencies in general in the last twelve months. Again, the telephone was the most popular mode of contact [TABLE A1, overleaf].
**EXHIBIT A1**

**Customer satisfaction measures and satisfaction with outcome**

Satisfaction with the outcome is lower than satisfaction with customer care measures.

![Graph showing satisfaction measures over time]

*Source: MORI Local Government Research Unit Normative dataset*

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**EXHIBIT A2**

**Methods of contacting councils**

The majority of people used the telephone to contact their council in the last year.

![Pie chart showing methods of contacting councils]

N = 1304, respondents who had contacted their council in the last year.

* < 0.5%.

*Source: DTLR user survey*
Further analysis of the DTLR user survey data (Ref. 2) to establish how demographic factors are related to methods the respondents used to contact their council showed that:

- The employed were more likely to report using the telephone, while men and people from minority ethnic populations were less likely to report using the telephone to contact their council.
- The employed were less likely to report visiting the council offices personally, while men and those from an ethnic minority were more likely to report doing this.

### Current use of government services on the web is lower than the use of other internet services

Even though telephone is the most popular method of contact, use of the internet is likely to continue growing, so it is important to examine people’s use of government services on the web.

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### TABLE A1

**Methods of contacting the government**

Again the telephone is the most popular method of contact...

<table>
<thead>
<tr>
<th>Channel</th>
<th>Have used in the last 12 months (2002)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call centre (by telephone)</td>
<td>29%</td>
</tr>
<tr>
<td>Post</td>
<td>13%</td>
</tr>
<tr>
<td>Local one-stop-shop or neighbourhood office that you visit in person</td>
<td>8%</td>
</tr>
<tr>
<td>All via interactive technology</td>
<td>7%</td>
</tr>
<tr>
<td>Post Office</td>
<td>6%</td>
</tr>
<tr>
<td>The internet (via email or through a website on a PC)</td>
<td>6%</td>
</tr>
<tr>
<td>Other</td>
<td>4%</td>
</tr>
<tr>
<td>Local Library</td>
<td>3%</td>
</tr>
<tr>
<td>Don’t Know</td>
<td>2%</td>
</tr>
<tr>
<td>Digital TV</td>
<td>1%</td>
</tr>
<tr>
<td>Mobile phone with WAP-internet access</td>
<td>1%</td>
</tr>
<tr>
<td>Kiosk in a public place</td>
<td>*%</td>
</tr>
<tr>
<td>None of these</td>
<td>46%</td>
</tr>
</tbody>
</table>

‘And have you contacted your local council, a government department or agency (for example the Employment Service or Passport Agency) or any other public service by any of these methods in the last 12 months?’

MORI survey Feb 2002. N = 2028 UK adults. Sample weighted to ensure it is representative.

*Source: KPMG/MORI (Ref. 5)*
The ONS survey figures suggest that internet users are not using the internet for government services as much as they could and that councils need to do more to market their websites. Use of the internet for government services has risen by only 1 per cent in the past year; the last ONS report (Ref. 3) found that 19 per cent of those who had accessed the internet in February 2002 had used or accessed a government or official service on the web compared to 18 per cent in January 2001. This compares unfavourably to other activities. The only other 1 per cent rise over this period was for use of chat rooms. Buying or ordering tickets/goods/services increased from 30 to 42 per cent and personal banking/financial/investment activities increased from 23 to 28 per cent.

**People’s attitudes towards ICT and preferences for contacting their local council or Government in the future**

The previous sections looked at people’s access to ICT and the ways in which they contact their council and other government services. This section looks at people’s attitudes to ICT, and also considers their stated preferences for contacting their council or government in the future.

**General attitudes towards new technology suggest as many as one-quarter of people might be reluctant to engage with technological initiatives...**

The Central IT Unit (part of the Cabinet Office) commissioned a report early in the development of the e-government agenda (Ref. 13), which examined people’s attitudes towards the potential of technology to facilitate the delivery of government services. The researchers conducted a survey and grouped respondents according to their stated attitudes towards technology. It suggests that up to 24 per cent of citizens may be reluctant to engage with technological initiatives [TABLE A2, overleaf].

**Reasons for not using the internet**

Key reasons for not accessing the internet are a lack of interest and lack of the necessary skills. In the last ONS survey (Ref. 3), when asked why they had never accessed the internet, 52 per cent reported a general lack of interest as their main or only reason. Fewer people cited reasons that could result directly from social exclusion: 8 per cent cited cost and 21 per cent a lack of skills and/or confidence as reasons for not using the internet. Similarly a KPMG survey found that 25 per cent of respondents who had not used the internet cited a lack of understanding and 13 per cent cited the costs of doing so (Ref. 5).

**Reasons for not using government services on the internet**

There are a number of reasons why people who do use the internet, do not use government services on it, including low levels of awareness, the design of the website and the security of the website. Users have, in the past, reported a low level of awareness of government services on the web. A KMPG survey conducted in February 2001 (Ref 15) found that only 22 per cent of internet users had heard of UK Online and 19 per cent of their local council’s website.

Once internet users have found a website a number of factors have been linked to whether they will visit again and whether they are willing to complete transactions (Ref. 16). The top four factors are:

- high-quality content;
- ease of use;
- quick download; and
- frequent updating of the site’s content.

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1 Using a statistical technique called cluster analysis.
People can be grouped on their attitudes to technology.

<table>
<thead>
<tr>
<th>Label</th>
<th>% sample</th>
<th>Description</th>
<th>Demographics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technophiles</td>
<td>20%</td>
<td>Regular users of technology positive towards its benefits and enthusiastic about technological innovation</td>
<td>Younger ABC1 full-time workers</td>
</tr>
<tr>
<td>Acceptors</td>
<td>19%</td>
<td>Trust technology and willing to try new technologies but with lower exposure than 'Technophiles'</td>
<td>Younger full-time workers</td>
</tr>
<tr>
<td>Uncommitted</td>
<td>21%</td>
<td>Tend to agree technology is important, but not fully committed</td>
<td>Slightly younger</td>
</tr>
<tr>
<td>Sceptics</td>
<td>17%</td>
<td>Low exposure and tend to mistrust technology</td>
<td>Older C2DE</td>
</tr>
<tr>
<td>Rejectors</td>
<td>17%</td>
<td>Mistrust and unwilling to try it regardless of benefits</td>
<td>Older DEs</td>
</tr>
<tr>
<td>Technophobes</td>
<td>7%</td>
<td>Strongly anti-technology find it difficult and not prepared to try</td>
<td>Older DEs</td>
</tr>
</tbody>
</table>

Source: Central IT Unit (Ref. 13)

<table>
<thead>
<tr>
<th>Social class</th>
<th>Occupation of Head of household</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Upper middle class</td>
</tr>
<tr>
<td>B</td>
<td>Middle class</td>
</tr>
<tr>
<td>C1</td>
<td>Lower middle class</td>
</tr>
<tr>
<td>C2</td>
<td>Skilled working class</td>
</tr>
<tr>
<td>D</td>
<td>Working class</td>
</tr>
<tr>
<td>E</td>
<td>Those at the lowest level of subsistence</td>
</tr>
<tr>
<td></td>
<td>Higher managerial, administrative or professional</td>
</tr>
<tr>
<td></td>
<td>Immediate managerial, administrative or professional</td>
</tr>
<tr>
<td></td>
<td>Supervisory or clerical and junior managerial administrative or professional</td>
</tr>
<tr>
<td></td>
<td>Skilled manual workers</td>
</tr>
<tr>
<td></td>
<td>Semi- and unskilled manual workers</td>
</tr>
<tr>
<td></td>
<td>State pensioners, etc, with no other earner</td>
</tr>
</tbody>
</table>

Source: Adapted from, Peter F Hutton and Robert M Worcester (Ref. 14)
Research (Ref. 16) has shown that good credit card security and feedback that an order has been received increase the likelihood of consumers making online purchases. Both of these are equally applicable to government transactions requiring a payment. The National Consumer Council commissioned a survey (Ref. 17) about online shopping behaviour and found that when asked what would encourage them to buy/buy more on the internet, the most frequently chosen response was 'I could be sure it was secure'. This was cited by 45 per cent of internet users. In a similar survey commissioned by the Department of Trade and Industry (Ref. 18), 20 per cent chose security as a driver for online shopping.

Attitudes to e-government

People’s understanding of e-government is strongly related to their current use of technology. Commission analysis of the data found those who are working, younger people and those with internet access were more likely to be able to cite both benefits and drawbacks of e-government. Those with internet access were approximately twice as likely to be able to cite benefits and drawbacks. The benefits and drawback that were most frequently cited are:

- **Benefits:** 37 per cent of respondents cited benefits concerned with a faster service that would save them time. Those in work, younger people, those with internet access and those who had previously contacted the council were more likely to cite these benefits. Seventeen per cent of respondents thought the e-government would make things easier. Young people and those with internet access were more likely to cite these sorts of benefits.

- **Drawbacks:** the most frequently cited drawback was 'it’s too impersonal', cited by 29 per cent of respondents. People working, men and those with internet access were more likely to cite this drawback.

Methods people say they will use to contact government in the future

As with current use, the telephone is the most popular means of contact: 72 per cent in a recent survey stated they would use the telephone if they needed to contact the council in the future (Ref. 12). In the most recent KPMG survey (Ref. 5) respondents stated that the telephone would be their preferred mode of contact to contact government in three years time (TABLE A3, overleaf). In the same KPMG survey, when asked more broadly about their contact preferences, 33 per cent of respondents said that they would stick to more traditional methods such as the telephone. But 15 per cent said they would use electronic services if offered an incentive, such as reduced payments for services.

A key question for councils setting up call centres or similar initiatives is whether there is demand for a round-the-clock service (‘24/7’) as offered by some banks. Evidence from a Cabinet Office report based upon People’s Panel data (Ref. 19) suggests that there is some public enthusiasm for extended opening hours for local councils on weekdays and Saturdays (20 per cent and 27 per cent of respondents respectively indicated that they would be interested in this). Demand was greatest among younger people and those from social classes A and B. Employed people were more likely to want extended weekday opening than those not working. The vast majority (over 90 per cent) of respondents wanting to conduct transactions with their local council outside of standard hours wanted to use the telephone.
Past behaviour predicts future use...

Analysis of the DTLR user survey data (Ref. 2) suggests that if current modes of contact are known and can be linked to demographic variables, little more knowledge is to be gained by surveying people further specifically on this. The Commission’s analysis shows that demographic factors have the same relationships to preferences as they did with respondents’ past methods of contacting the council.

Past behaviour is a strong predictor of future intentions. The Commission analysis of the ODPM user survey data (Ref. 2) found that:

- People who had contacted the council by telephone in the last year were almost eight times more likely to state that the telephone is their preferred mode of contact than those who did not use the telephone to contact the council.
- People who had visited the council in the last year were over 14 times more likely to state that a personal visit is their preferred mode of contact than those that did not visit the council.

Nevertheless, people do show some interest in using the internet to contact the council: 13 per cent of respondents to the ODPM user survey are prepared to do so (Ref. 12). Using the internet to find information was more popular than using the internet for transactions [EXHIBIT A3].

People with internet access are more likely to be prepared to contact the council using the internet. Further Commission analysis of this data (Ref. 2) shows that demographic factors are related to a willingness to use this form of contact:

- Working people are more likely to be prepared to contact the council using the internet.
- Younger people are more likely to be prepared to contact the council using the internet, but younger people are less likely to contact their council. The ODPM user survey found 50 per cent of those in the 16 to 24 age group contacted their council in the last year, compared to 78 per cent of those aged 25 and above.
- Women are more likely to be prepared to contact the council using the internet.

TABLE A3

How people think they will contact government in the future

‘In three years’ time, which one of these would you prefer to use for government or local council services?’

<table>
<thead>
<tr>
<th>Contact Method</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call Centre</td>
<td>30%</td>
</tr>
<tr>
<td>Internet</td>
<td>19%</td>
</tr>
<tr>
<td>One-stop shop</td>
<td>15%</td>
</tr>
<tr>
<td>Post Office</td>
<td>10%</td>
</tr>
<tr>
<td>Post</td>
<td>5%</td>
</tr>
<tr>
<td>Digital TV</td>
<td>4%</td>
</tr>
<tr>
<td>Local Library</td>
<td>3%</td>
</tr>
<tr>
<td>Others all less than &lt;3%</td>
<td>5%</td>
</tr>
<tr>
<td>‘Don’t know’ + ‘None’</td>
<td>9%</td>
</tr>
</tbody>
</table>

MORI survey Feb 2002. N = 2028 UK adults. Sample weighted to ensure it is representative.

Source: KPMG/MORI (Ref. 5)
Summary of issues

1. New technologies have the potential to improve public services even if the public do not use the technology themselves. However, to make the most of new technologies, councils should encourage and support local people in using them.

2. The telephone is the most popular method of contacting the council and there is a demand to contact the council in the early evening and at the weekend by telephone.

3. Contact preferences are strongly related to past contacting behaviour. So the telephone will remain the most popular method unless councils encourage people’s contacting behaviours to change, for example through better marketing of new initiatives and through helping to train and skill their communities.

4. Key reasons for not accessing the internet are a lack of interest and a lack of necessary skills. This supports the need for better marketing to, and training of, local people.

5. Key reasons for those who do use the internet but who do not use it for government services include low awareness, poor design and concerns over security. Councils need to ensure that their websites have appropriate levels of security (Ref. 20) and that users are made aware of this.

6. Those with internet access are more able to cite the benefits and drawbacks of interacting with the government electronically. Therefore the benefits will need to be clearly highlighted for those less familiar with the technology.

7. People are currently more likely to use the internet for information rather than transactions. This could change over time if councils seek to develop people’s knowledge and gain their trust.
References to Appendix 3


Glossary

Back-office: The part of an organisation that delivers core services but is often not the first point of contact with customers.

Back-office systems: Computer infrastructure within an organisation, which supports core business process applications but has no external interface with customers.

Best value: A performance framework introduced by the Government in 1999. It requires local authorities to deliver services to clear standards by the most economic, efficient and effective means available.

Call centre: Group of staff trained and equipped to field telephone calls with the aid of access to databases (and sometimes directly to back office systems) giving details of services and users.

Channels or Access channels or Technology channels: Types of communication methods, such as telephone, digital TV, kiosks and emails.

Contact centre: Group of staff able to deal with enquiries from customers via several channels, such as telephone, email, web-based forms, and letters. Staff have access to databases (and sometimes directly to back office systems) to assist the processing of these enquiries.

Customer Relationship Management (CRM): A computer system that allows entry, storage and retrieval of information about interactions with customers.

Drivers: Changes in tastes, trends, economic variables and single or repeated events which all act as stimuli inducing a system or organisation to develop in a particular direction.

Electronically enable or E-enabled: Enabling services to be delivered using new technologies.

Email: A service that enables people to exchange documents or messages in electronic form. Email systems now mainly operate via the internet.

End user: Person who will use the ICT technology or application.

E-procurement: This covers issues such as electronic tendering, supplier and contract management, and on-line catalogue, requisitioning and payment capabilities.

Failure demand: Enquiry to the council resulting from a failure in service delivery.

Front-end: Computer infrastructure in an organisation designed specifically as an interface for communicating with external customers, such as websites, one-stop-shops and contact centres.

Front-office: The part of an organisation that deals directly with external customers. This could include one-stop-shops, contact centres, and websites.

Implementing Electronic Government statement (IEG): A council’s plan setting out how it proposes to deliver the Government’s 2005 target for e-government.
Information and Communication technologies (ICT), new technologies: Refers to new information technologies such as computers, digital television, email and networks and systems that connect them to information databases (such as the internet and intranet). The telephone and fax are not considered new technologies.

Inter-operability: The capability of two or more hardware devices or two or more software routines to work together.

Internet: A worldwide collection of computer networks sharing common standards and protocols of communication, in particular a common addressing scheme. The world wide web is now the main internet application, but there are other facilities on it too, such as file transfer facilities and user groups not operating via the web.

Learning centre: Centres providing ICT access and support for local people’s use.

Local Public Service Agreements: An agreement between an individual local authority and the Government. It sets out the authority’s commitment to deliver specific improvements in performance, and the Government’s commitment to reward these improvements. The agreement also records what the Government will do to help the authority achieve the improved performance.

One-stop-shop: A part of an organisation that deals with people’s enquiries face-to-face. One-stop-shop staff can deal with enquiries relating to several services delivered by the organisation or others with whom it works in partnership.

Portal: Any well-used gateway to the internet, especially those sites designed to serve as a ‘front door’ and thus the first page that users see when accessing the web. Portals typically provide larger catalogues of other sites, powerful search engines for location information, and email facilities or other attractive web services.

Process re-engineering: An organisational review process that enables organisations to identify fundamental business objectives, to formulate a detailed strategy to achieve those objectives, to determine measures for success, to redesign business processes and to implement new and revised policies and procedures.

Smart card: Transactional electronic card technology capable of storing and updating authentication of account information about the users.

Take-up: Extent to which services are available and are currently used by people.

Transaction: An interaction with an organisation. This could include the receipt or dissemination of information, the completion or submission of a form, the sending of a payment, and the inspection of an account.

Web-enabled: The adaptation of existing ICT so that at some stage web-based technologies are employed, for example, creating a channel of communication with users or accessing information held on a legacy system using a browser.
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**Changing Gear: Best value annual statement 2001**

The 2001 best value statement from the Audit Commission reviews progress made by councils in implementing the best value regime. It draws on a wide range of best value evidence to get below the headlines and see what is happening on the ground. It examines how councils can use their experience to build capacity to deliver further improvements, and how inspection and audit need to change to make best value work better.

**Contents:** How Well are Councils Performing?; How are Councils Responding to Best Value?; How Can Councils Make Best Value Work Better?; Improving Inspection and the National Framework; Targeted to Improve; Conclusions


**Acting on Facts: Using performance measurement to improve local authority services**

Performance measurement helps authorities run and improve services. But while some authorities are making good progress in using performance indicators to drive improvement, others have encountered difficulties. This management paper reviews the experiences of local authorities to show how performance indicators can be used to improve public services. It is intended to help organisations make performance measurement an everyday activity generating good quality information that can be effectively monitored and acted on.

**Contents:** Introduction; The importance of performance measurement: the national context; How are authorities using performance information? Gaining understanding and acceptance – creating a performance measurement culture; Linking corporate objectives to service plans and personal goals; Devising a balanced set of indicators and improving data quality; Setting ambitious but achievable targets; Monitoring and acting on performance information; Conclusion


**Change Here! Managing change to improve local services**

Managing change is one of the greatest challenges facing public services. Change Here! is a guide for top managers in local government and the NHS that draws together the Audit Commission’s considerable knowledge and experience of how local bodies can manage change successfully and overcome barriers to improving services. A light and interesting read for chief executives and their executive teams, this guide is illustrated with case studies which highlight some of the key lessons and show how they have been applied in practice in a variety of situations.

**Contents:** Introduction; Role of the leadership team; Local ownership; Sustaining focus on the key priorities; Focus on users; Managing the change programme; Using external help; Building capacity for continuous improvement; Conclusion


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The increasing adoption of new technologies seems inevitable as they play an increasing role in everyday lives and they have the potential to help transform the way in which public services are delivered. The Government is committed to making all government services (capable of electronic delivery) available electronically by 2005, set out in a policy framework known as ‘e-government’. Public services already spend significant sums on information and communications technology but local government estimates a further £2.5 billion will be required to meet the 2005 target.

Councils are optimistic about meeting the 2005 target but need to overcome the barriers of funding, a lack of ICT skills and staff reluctance to change if they are to deliver successful e-government. Some councils are more confident about delivery than others. For those struggling to access the necessary skills and engage members, e-government can feel separate from the core business of the council. Many councils are focusing on broadening access to existing services and putting information online, improving services often trails behind. As a result, there is a risk that e-government could mean improved access, but to unimproved services.

The Government has recently set out a national strategy for local e-government but more needs to be done to help councils develop a convincing picture of successful e-government and to encourage improvement to service quality as well as access. To achieve this, it is vital that councils are able to access the necessary combination of ICT skills and business competencies. Message Beyond the Medium sets out recommendations to Government, national bodies, councils and the Audit Commission itself about how local e-government can be moved on.