Looking back to 1997 when this government was elected we can see just how much has changed in the world of technology.

That was the summer of something that some people called ‘Cool Britannia’.

Less than 9% of households had an internet connection. Less than 14% of people had a mobile phone. There were few computers in the courts. The best way to transport an x-ray round a hospital was to ask the patient to carry it. And Google did not even exist.
Now 53% of households are connected to the internet and 85% of the population has a mobile phone.

Today I want to talk about how technology has changed people’s lives and how this offers an exciting but also a challenging opportunity for the country.

My argument is that this is an agenda of empowerment and that our role in government is to ensure that public services use technology in a way that gives more power to the citizen and which addresses the issue of those who may be left behind by the communications revolution.

The everyday use of the web and mobile communications has changed our lives in profound ways. We are way beyond the realm of the geeks.
Millions of people are using technology as part of their lives in ways unthinkable even a decade ago.

There is a Google generation who are used to booking flights over the internet. Downloading music for their ipods. Texting to vote on Big Brother or Pop Idol and using the web to manage their finances, pay their bills and run parts of their lives.

This is not just about technology. It’s about power. It’s about people deciding to carry out transactions when they want to, not when the office is open or during limited hours when the service maybe available.

This represents a profound shift in power to the consumer. The idea that a consumer cannot carry
out their transaction because the shop or office is closed has been killed off by the use of the internet.

If people want to book a flight at 2am, they can. If they want to download music when the record shop is closed, they can. And if they want to order the book that someone has mentioned to them at work that day at midnight, they can.

Since technology has empowered people to do these things at their own convenience so Government must respond. It is a core part of our vision for the future of public services that these be fashioned round the needs of the users of those services and technology is a major weapon in empowering users of public service.
In this world Government could not stick to the old way even if it wanted to.

People must be empowered to do things at a time of their convenience and in a way that is easiest for them.

So Government IT is not just about computers. It is about people, about citizens, having more power in the future than they had in the past.

But when it comes to Government IT programmes, there is a fashionable view that says they will be over budget, they’ll probably be late and even then they may not work.
Now sometimes things do go wrong and there is no point in denying it. If we look for example at the Child Support Agency, IT has been part of the problem, but only part.

And we also have to remember that when government designs new IT systems they are often on a larger scale, dealing with more customers and more complex issues than is the case elsewhere.

Let’s take the Passport Agency, sometimes cited as an example of government IT headaches, this service handles over 6 million applications per year. Straightforward applications are dealt within an average of 10 days. When customers were surveyed, 97% have been ‘satisfied’ or ‘very satisfied’ with the service.
When, as we recently have, we put online a system for people to pay their car tax, we make life easier for over 32 million drivers – nearly twice the membership of the AA and the RAC combined.

And let us take a more recent, controversial, example. The Connecting for Health Project.

In truth this is not one single project but a series of IT projects which collectively add up to the biggest programme of its kind in the world. When complete it will connect over 100,000 doctors, almost 400,000 nurses, and hundreds of hospitals and GP surgeries throughout the country.
But it isn’t size that matters – it is the improvements in service this can bring to the public and to NHS staff.

It includes:

- A new national network for the NHS – a spine if you will of a programme which will link the various parts together;
- Picture archiving and communications systems to allow easy access to x rays and scans;
- The NHS care records service which will store over 50 million health and care records instead of brown envelopes stuffed full of paper which we sometimes depend on at present;
- A choose and book system of appointments to put more power in the hands of GPs and patients together.
• And other services such as electronic prescription services, NHS mail and GP to GP transfer of patients’ records, a service currently used by 3.3 million patients a year but which takes at the moment an average of 6 weeks.

To read some of the coverage of this project last week, the public could be forgiven for thinking this was another story of a project which had overrun and where costs were out of control.

But the truth is different.

Let me just quote some extracts from the NAO report.

“NHS connecting for health has negotiated the renewal of the Department’s NHS wide licence for
Microsoft desktop products, securing the lowest prices in the world.

“The procurement of the contracts centrally … is independently estimated … to have saved £4.5 billion in terms of the prices paid for goods and services.

“Procurement of the contracts was completed commendably quickly…The Office of Government Commerce considered there to be many good features of the procurement process for wider application to government IT procurement.”

Now I don’t pretend that this report says everything is perfect or that the Government does not have to address certain issues. It says, for example, more needs to be done to address staff concerns and the
Department of Health have quite rightly said that they will do that.

In a project of this size and this complexity it would be remarkable if there were not issues to be addressed as things developed. And even here, eg when it comes to delays to the Care Record Service, the report says, “the suppliers have borne the cost of overcoming difficulties in delivering the software and not the taxpayer.”

So it is a big project and it is ambitious, but last week’s NAO report did much to commend the project and it will have real benefits for NHS patients and staff.
And the reason that I set this out is not to take issue with the coverage of one particular story. Government has a duty of careful stewardship of taxpayers’ money and it is quite right that projects of this kind are examined closely and critically.

This country should be ambitious about modernising its services
But let us not fall into the trap of always assuming it is not worth the trouble, that the old way was better, that there is no need to change.

Sometimes when we debate these projects we fall into default nostalgia.
Let us not fall into the default nostalgia that in the end prefers an age when people were told they could only do business with government when the
office was open, when it wasn’t a weekend or a Bank holiday, when the customer was less powerful and the person behind the counter held all the cards.

Transformational Government means we can put more power with the person in front of the counter. And information technology, properly applied, is a profoundly empowering weapon.

In government we have brought our determination to reform services around the needs of the consumer together in our Transformational Government Strategy.

Let me explain exactly what we mean by this term. We say “transformational” because not only will we enable transactions to be done online but we will also
build into the system drivers and incentives so that the service continually evolves and changes as the needs of the users change.

So for example DirectGov, our multi purpose digital service receives over 600,000 visits a week and will continually evolve in the services that it offers.

Its most recent innovations include a mobile service pilot, which will become transactional in July, allowing users to find their nearest UK Online centre among other things. Directgov has also teamed up with the DVLA to enable people to renew their car tax online – this new service is delivering 132,000 car tax transactions per month.
There is also Moneyclaim, the UK’s biggest court service which offers a simple and convenient way to respond to or make a money claim on the internet.

There is also huge potential for conversation between government and people.

There may be a lot we can learn from initiatives such as ‘writetothem.com’ which facilitates email dialogue between MP’s and their constituents.

The No10 website will in future carry more than information from government to the public and will allow the public to sign up to initiatives like pledgebank where people can sign up for causes that they choose.
We need continually to search for means of two way contact and feedback from the public to the government as well as simply enabling more government activity to be carried out online.

We have a Transformational Government Strategy based around the needs of the citizen.

But there is also one other absolutely vital issue we have to address if we are not to deepen division and that is the issue of exclusion.

Roughly speaking 2/3 of the population are connected to the internet and 1/3 are not. As the internet empowers people more, this comes to matter more. Some people don’t have the equipment. Some don’t have the confidence. A few may be opting out. But most are not making a decision to do so and in a
world more connected than ever before, they are in danger of being left behind.

Now we have already done a lot to bridge the so-called Digital Divide. We have a network of thousands of UK Online centres, over half of which are located in the 2,000 most deprived wards. These are being used by an estimated 2.75m people per year.

The Digital Challenge project is designed to drive forward the use of IT among those so far not using these technologies.

Ten projects have been shortlisted as part of this initiative. These will be announced in July, with a single winner being named next year which will
receive up to £7m in funding from both public and private sectors.

There are also many innovative projects around the country reaching out to those so far not part of the connected world.

The Eastserve project in Manchester, for example, visited by my predecessor Jim Murphy, provides local online services and information for local people from the convenience of their own home. It also provides subsidised PCs, training, broadband connectivity, driving the regeneration of the communities it serves.

I visited another project last week, the Shoreditch Digital Bridge Project. There, people are being hooked up to a local network of information and action
– not through computers but through their telephone line and TV.

These initiatives can make a difference. But we have all got to be clear this is a big challenge. This is a big challenge for the Government and for everyone interested in empowerment through technology.

The possibilities of the connected world are enormous. But it cannot be right if millions, not through choice, are excluded from them.

We have done much to address social exclusion and lift people out of poverty. But more needs to be done and in the future the battle against poverty will not just be about traditional resources and opportunity - it will also be about technology and information.
Conclusion

And so our aim through our reforms in health, in education, in welfare and across the public services is to reform these services for the 21st century ensuring they revolve around the consumer, not the producer.

It is an ambitious agenda and rightly so.

We are ambitious for our country, we are ambitious for our public services and ambitious for the modernisation that we can achieve. Our aim is to use technology as a central part of this strategy. To use it to empower the British people and to do so in a way which bridges and doesn’t widen the digital divide.
I believe it’s an ambition well worth working for.

Ends