REFORM



A modern machine: smarter, faster, mission-driven

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Reform was delighted to host a policy roundtable on delivering digital transformation in government, in partnership with BT. The discussion was introduced by Gina Gill, Chief Digital and Information Officer at the Ministry of Justice and Simon Godfrey, Director of Government Relations & Social Value Leader at BT.

Digital transformation has extraordinary potential to create government services that are more citizen-centred, integrated, and capable of delivering better value for money. To realise this potential, however, requires both a shared vision of what transformation can achieve and a practical commitment to make change happen. In some cases, this will mean improving or streamlining existing services, and in others, having the courage to reinvent them entirely.

Last year's Declaration on Government Reform made a bold commitment to place data at the heart of decision-making across government – with ministers and officials constantly informed by the latest real-time evidence. It also recognised that, to keep pace in areas of growing importance, digital and data expertise must be prioritised, and DDaT teams given the mandate to lead genuine change.

The momentum – and new ways of working – brought about by the COVID-I9 pandemic demonstrated that rapid digital transformation is more than possible. With the public finances under significant strain, and the Chancellor asking departments to locate efficiency savings, the political and economic context for this agenda has clearly changed. Yet far from weakening the argument for transformation, investing in new digital- and data-driven approaches presents an opportunity both to improve citizens' experience of public services and to achieve better value for money. The Central Digital and Data Office's 2022-25 roadmap certainly sets a high bar, promising "widespread digital transformation" across government.

To get there, government will have to be long-term in its approach, thinking carefully about how to shape departments' incentives to innovate – and the part that (typically) short-term funding settlements might play in impeding this. It will also have to be radical in its approach to collaboration, both internally – between departments – and in leveraging the expertise of industry, academia, and the third sector.

These ambitions are simply too important to wait until the next crisis to act.

Uniting around a single, long-term vision

During the pandemic, the overriding need to provide immediate support and ensure the public could continue to access services remotely set a clarity of purpose that the whole of government responded to. This led to a huge shift to online provision, as well as the development from scratch of completely new services, like HMRC's furlough scheme.

Government must build on this, setting a clear, unifying mission that underpins long-term transformation of the public sector. Currently, while there is consensus that the machinery of government should be more efficient, modern, and straightforward for citizens to interact with, investment in digital transformation is piecemeal – separated into programme-specific budgets that complicate reform ambitions and stand in the way of a more cross-cutting approach.

At the same time, there are difficult trade-offs in this area, especially between the broad transformation agenda, and other local and departmental objectives; as well as between short-term political, financial and other constraints, and long-term priorities.

Ministerial churn has also contributed to this short-termism, increasing the likelihood that thorny digital challenges are met with 'sticking plaster' solutions that do not address the fundamental limitations of our digital infrastructure. Recent reports found that up to half of UK government spending on IT is dedicated to servicing legacy technology, for example.

A blank slate

The 2022-25 Roadmap for digital and data points out that the public expect government services to be as good as the best online experiences provided by the private sector. To meet these expectations, it will sometimes be insufficient to build on existing systems or tweak legacy technology.

Genuine transformation means starting with the question 'what can technology enable?' and then developing policy to take full advantage of it. Or to put it simply, government should be asking: 'what could public services and organisations look like if we started from scratch?'. Such an approach would avoid government being anchored by the limitations of existing public sector technologies, and allow them to embrace genuinely innovative, digitally-enabled service delivery models. Crucially, this means technologists must be embedded 'upstream' of policy – with opportunities to feed into its development at every stage.

Digital units are too often seen as the 'IT departments' of government – there to maintain existing systems and ensure they run smoothly, rather than as key enablers of a smarter and faster civil service. This is a mistake and is hampering technology's transformative potential.

This would also help in mitigating the shortage of digital literacy at a ministerial level. Few ministers have backgrounds in, or a good grasp of, technology and data, so ensuring that technologists and data experts are in the room during policy discussions with ministers would help mitigate that knowledge gap. It could also make a real difference to the level of prioritisation given to transformative digital ideas – and so to making the most of technology's potential.

Digital streamlining

Participants pointed to the fact that in the private sector, headquarters typically outsource low value tech work to be completed cheaply elsewhere – allowing their digital teams to concentrate on innovative projects with the highest impact.

While outsourcing day-to-day maintenance of existing digital infrastructure may not be the right option for government, carving out time for digital and data specialists to focus on transformation projects could make a big difference. Strategic capacity is essential for long-term thinking, and would lead to better value for money for taxpayers as the full potential of digital and data is actually realised.

Meanwhile, assessing waste, and whether existing processes can be streamlined, should be the default as more government services are brought online. In some cases, this could mean asking what technology is really needed for each purpose, and whether analysis could be carried out with simpler and cheaper tools – there can be a tendency to purchase sophisticated new software when applications like Excel are more than adequate for the task at hand. In others, it could mean reducing the number of forms a citizen must complete – and eliminating unnecessary forms as processes are brought online. Digitisation is not replicating analogue processes online.

Participants rightly argued that we owe it to those who rely on government services the most, when undertaking digital transformation, to try and simplify interactions with the State. This is a double win, a better experience for citizens, and by reducing the risk of failure in a process leading to additional interaction, less costly for the taxpayer.

Communicating a digital future

As well as recruiting a future-proof workforce, capable of digital transformation, participants argued we must prize people who can bridge the gap between those who understand digital and data and those who do not. This applies both to the digital skills gap within government and communicating the value of digital government to the public.

Public services should be accessible, and fundamental to this is having a workforce that prioritises user experience. Digital public services that require expertise to create should not require expertise to use.

Participants reflected that to achieve public buy-in for digital services, government must be much better at communicating the benefits of digital transformation. Promoting the success stories of previous digital reform efforts – such as HMRC's 'Making Tax Digital' programme, or Universal Credit – for example, could help make these benefits clear.

Policy as code

Finally, participants speculated about a future in which more of the policymaking process itself could occur through code. To the extent that some areas of policy involve developing and translating a complex set of rules, there is a greater role for technology – some of which already exists – to increase the efficiency of policymaking, generate new alternatives for decision-makers, and effectively automate vast swathes of administration.

Although the Declaration on Government Reform makes ambitious commitments to digital services changing "the relationship between state and the citizen", participants argued that policy development still largely takes place in analogue.

Utilising technology in the policy development process could therefore represent a double dividend for government: unlocking significant savings, whilst reducing the time it takes to enact even large-scale policy shifts.

For this reason, the next stage of digital transformation will also be about recalibrating the expectations of civil servants, the public, and ministers of what digital, data and technology can deliver. To do this, we must move from asking 'how can technology help us to implement policy?', to asking, 'what policies does technology make possible?'.

The opportunities for digital transformation have long been recognised. To seize them, we must accelerate the pace – thinking strategically about how collaboration can support this – and build a genuinely mission-oriented, digitally-enabled government machine.

