Digital transformation in the United Kingdom

Eddie Copeland, Director of Government Innovation, Nesta (United Kingdom)

The UK’s journey in using technology to improve the functioning of government has been through many different cycles. The most recent swathe of activity can be traced back to 2011, when the Government Digital Service (GDS) was established. GDS was set up as a body within the Cabinet Office - the government department responsible for coordinating activity between other departments and exploring efficiency and reform measures - injecting a core group of digital specialists into the very heart of the civil service.

In many ways, GDS was seen as an antidote to much that had gone wrong with government IT. For too long, many felt, government and the wider public sector had been beholden to a small number of giant technology companies and consultancy firms. IT contracts frequently ran into tens if not hundreds of millions of pounds, entailing the creation of huge, bespoke IT systems that took years to build, and were often out of date by the time they were finished. Those giant systems tended to be siloed, making any integration or exchange of data complex and costly, hindering the creation of better processes.

GDS’s approach was different. They would relentlessly focus on the user. They would

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adopt agile approaches, building in-house, showing by doing, producing results in days and weeks rather than in months and years. They would focus on interoperability and reuse. The journey began by fixing government’s publishing of information. They created GOV.UK, a single website to replace a quagmire of hundreds of different web domains run by separate government departments. Next came transactions. They worked on updating high volume and important online services, from making it easier to do things like applying for Carer’s Allowance, booking a visit to see someone in prison, or making a lasting power of attorney.

More recently, their work has shifted to developing Government as a Platform (GaaP). Instead of government having hundreds of different ways of citizens paying for services, being notified of important updates, or proving their identity, GDS has been building one tool for each of these (GOV.UK Pay, GOV.UK Notify, and GOV.UK Verify, respectively) that can be reassembled and reused across many different services.

These developments have broadly been welcomed. Yet there are two caveats. The first is that much of GDS’s work has focused on the front-end of government: the digital transactions that citizens use. This is not a criticism. It was their remit, and put much needed emphasis on putting citizens first. But much of the complexity of government operations lies behind the scenes. There is only so far that any government can deliver true reform until it wrestles with the labyrinthine complexity of back-end

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systems. The UK government has started to address this by reducing the size of IT contracts and ensuring that more small businesses are involved in their supply chain. It’s a good start, but there is a long way to go.

The second caveat is that the ‘government as a platform’ label is a little misleading. Think of how we use the word ‘platform’ elsewhere, and it normally refers to something on which others can build and innovate. Google’s Play store, for example, is a platform on which app developers can build and sell apps and games. By contrast, the UK’s approach might be better described as “Government as Lego”; creating common building blocks that can be used in many different combinations to create different services. This is still a valuable approach, but it would be good to see a move towards a true platform model that was able to attract innovation from the most creative and talented specialists outside of government.

1 Smarter services, smarter use of data

It’s not just technology that can enable reform. Many of the tried and tested ways of delivering more and better with less require making smarter use of data. A number of UK cities and regions have been exploring what’s possible.

In London, Nesta has been working with 12 boroughs and the Greater London Authority to pilot a London Office of Data Analytics (LODA). London has 33 boroughs. The aim of LODA has been to see if it is possible to reform public services more effectively
if those boroughs can join up, analyse and act upon their data at a city scale. The first pilot has focused on identifying unlicensed Houses of Multiple Occupation (HMOs) - properties that are rented out to multiple tenants on separate contracts. Such properties require the landlord to obtain and pay for a specific licence. Using machine learning tools, data on past unlicenced properties has been analysed to understand the characteristics of buildings most likely to be HMOs so that inspections can be targeted more effectively.

Meanwhile, in Manchester, a project called GM-Connect has been helping the region’s public sector organisations harness their joint data. With a long list of projects in the pipeline, an initial pilot has focused on creating a “child passport”: federating intelligence so that all agencies have a single view of what is known about vulnerable children.

These data initiatives need not be complex in design. A specific part of Manchester’s work has involved sharing data on school absences between the region’s ten local authorities. 58% of Greater Manchester’s population lives less than two miles from a local authority boundary. Consequently, many children are educated in a neighbouring council area. Given that school absence is a key factor in identifying families in need of support, GM-Connect is helping ensure that the arbitrary silos of local government boundaries don’t stand in the way of protecting some of the region’s most vulnerable families.

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A key challenge for public sector bodies is knowing how to use data ethically, securely and legally. The upcoming General Data Protection Regulation will present further requirements on organisations that hold or wish to use personal data. Yet above adhering to the strict letter of the law, it’s also vital that citizens have trust in how their records are used. The UK has several case studies of well meaning, but poorly designed or communicated, data initiatives that resulted in a public outcry. Care.data, for example, aimed to upload patients’ records in England to a central database, to be used for medical research by both the National Health Service (NHS) and potentially private companies, such as pharmaceutical firms. The lack of clarity over who exactly would be able to see and use that data led to a media storm. Too many negative stories like this risk setting back important data initiatives that really could deliver positive value for citizens.

2 Digital Democracy

Digital tools and data aren’t only useful for reforming public services; they can help address declining citizen trust in political institutions, too. Nesta has conducted considerable research on the theme of digital democracy. Our report “Digital Democracy: The Tools Transforming Political Engagement”, studied global examples of best practice. We were also involved in D-Cent, a European Commission-funded programme that developed practical digital tools to improve civic engagement.

Regrettably, the UK has lagged behind implementing these ideas. To date, the
UK’s most recognisable digital democracy initiative has been the government’s e-petitions website. The idea is that citizens can write and solicit support for a motion. Those achieving 100,000 signatures are considered for debate in Parliament. Its utility is limited. Simply asking the public to state that they feel strongly about one matter in isolation of all the other issues that it impacts is not especially helpful. Yes, people may wish to have more money spent on the NHS. But then where do they want that money be taken from? Whose taxes should be raised? Petitions are too crude a mechanism to engage citizens in the compromises that all politics entail.

As the national government devolves more powers to the UK’s major cities and regions, it is to be hoped that the UK will embrace more effective initiatives, as practiced in other countries. For example, ‘Madame La Maire, J’ai une idée’, enables Parisians to suggest and then vote on how a percentage of the city’s annual budget is allocated each year. In Iceland, ‘Better Reykjavik’ was launched in 2010 as a collaboration between the local government and a civic tech charity so that citizens could suggest, debate and rank ideas for improving their city. Far from being of narrow interest just to the digitally savvy, more than 70,000 people have visited the website out of a population of 120,000. These examples show that, when done well, digital democracy can give citizens a meaningful role in shaping the decisions and environments that affect them.

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There is one further lesson worth sharing from the UK experience, that’s important for all government reformers to note. There is a tendency when we talk about ‘digital government’ to focus attention on the technology rather than the problem to be solved. Far too often this leads to initiatives that are essentially bolting on new technology to old ways of working. Spending money on digitising an inefficient process just leads to a more expensive, digitised, inefficient process. Technology should be the enabler, not the driver of reform. Without operational excellence, no amount of data or technology will help extract the public sector from its current financial hole.

Given the scale of the challenges many countries face, it’s important to first ask...
if there are fundamentally better ways of working; and that requires some experimentation. A great example of how to make this happen comes from the Welsh Government, which has provided £5m for an “Innovate to Save” programme. The programme provides financial and non-financial support for government staff and third sector organisations wishing to test new ideas that they believe can address complex social challenges and save money. Those that are successful can then be issued with a loan to scale up their work, which can be repaid over time as the public sector reaps cashable savings from the new way of working.

4 Learning from each other

In every country, innovations have to take place while paying regard to the local context. The UK is not able to create an entire government IT ecosystem from scratch like Estonia; we have a huge network of legacy systems. The UK is culturally opposed to having ID cards that might make online transactions simpler. We have a highly fragmented system of local government that makes it challenging to scale the best ideas. Yet we still have many excellent examples of digital and data usage to share, and we are keen to learn best practice from others.

As all countries face a growing need to deliver more efficient public services, and respond to citizens who feel disconnected from political life, it’s in all our interests to work together to develop and share the best solutions to address these great challenges of our era.