Local Government Association

Delivering better local online transactional services

Foreword

As Chairman for the Improvement and Innovation Board at the Local Government Association (LGA), I am delighted to introduce these four interlinked papers which set out the sector's position and priorities on maximising the opportunities of digital.

The imperative for local public services to fully exploit the potential of modern digital tools, technologies and approaches in order to improve delivery and save money has never been greater. We face rising citizen demand, needs and expectations at a time of severe spending and resource constraints.

Councils have a long history of investing in digital information and communications technology for the benefit of their localities, from the traditional finance and housing repairs systems that began to emerge in the 1970s through to the 'apps' and social media of today.

There are also many outstanding examples of radical IT-enabled service innovation – such as online school admissions or tele healthcare – being adopted across the sector, successfully transforming the citizen experience and reducing costs.

However, comprehensive improvement and development does not happen by chance in a sector as diverse and locally-responsive as local government. It requires close collaboration between central and local government and other partners, including the voluntary and private sectors and communities themselves, carefully targeted and managed investment in both local 'exemplars' and national infrastructure, a well-coordinated programme of support and communication, and – perhaps most important – leadership at all levels.

The first of the attached papers, 'Delivering better local online transactional services', highlights the specific opportunities to use digital tools and techniques to improve the ways in which citizens find information or carry out online transactions with local government while saving public money. It draws on research by the Society of IT Management and the Local Authority Contact Centre Benchmarking Group, as well as data from a range of individual councils, to demonstrate how councils have been increasingly interacting online with citizens with a particular focus on digitising 'top tasks'.

The paper makes a case for exploiting and promoting more effectively the assets and good practice already available in the sector as well as for designing and implementing some key pieces of common digital infrastructure from which all councils could benefit.

Our second paper, 'Transforming local services through digital', explores the wider potential of digital tools, technologies and approaches to support 'transformation' – that is the fundamental redesign of local services so that they deliver better outcomes, in a more targeted and timely fashion, at less cost. The paper argues that in a landscape where public service delivery is increasingly fragmented across different organisations, but in which joining up services around residents in a locality is essential, councils have a vital role to play as ring holders, 'place shapers' and community leaders. Technology too offers massive potential not just to make individual organisations and transactions more efficient, but to support innovative, collaborative

and transformative work to redesign services and to act as the 'glue' linking disparate service providers.

The paper concentrates on highlighting ways in which existing, place-based national programmes of public service reform in areas such as health and social care integration, the benefits system and troubled families could be substantially accelerated by greater digital innovation.

Our third paper, 'Developing local digital leadership skills and capacity', examines the vital topic of how the leadership skills and capacity required in local government can best be developed and supported, thereby enabling councils and their partners to apply appropriate digital solutions, deliver better outcomes, improve the experience of their shared customers and workforces and reduce costs. Leadership will also be essential if digital knowledge and assets are to be systematically shared and mainstreamed and 'exemplars' scaled up to the benefit of the whole sector.

The paper sets out a series of very practical steps for developing local digital leadership at councillor, senior officer and practitioner level, building on the work and models already in place in the sector.

Our fourth and final paper, 'Implementing programme leadership and support for digital', draws on the learning from previous successful national programmes of change. It proposes a set of operating principles and identifies a small number of practical options for establishing the coordinated programme required to drive forward the take-up of relevant digital tools, technologies and approaches across the local government sector and to tackle cross-cutting issues such as data sharing and procurement.

Taken together, then, the four papers set out a high-level case for investing in a well-structured and comprehensive programme of support to enable local government to maximise the citizen benefits and costs savings that can be generated from fully exploiting the potential of digital in the public services.

We look forward to working with government on this important and timely initiative.

Councillor David Simmonds CBE
Chairman, Improvement and Innovation Board
Local Government Association

Contents

1. Purpose of document

The purpose of this document is to highlight specific opportunities to use digital tools and techniques and to exploit digital platforms to improve the ways in which citizens and businesses find information or carry out online transactions with their councils while saving public money.[1]

The paper is one of a linked set of submissions to inform the Spending Review 2015 that will also address:

• how councils can use 'digital', building on existing exemplars, to support the transformational place-based approaches to delivering outcomes that councils are seeking to implement in their localities in collaboration with local partners (including citizens themselves)[2]

• how the necessary leadership skills and capacity to understand and apply digital approaches successfully in local public services can be developed across local government at all levels – including members, senior officers and staff

• the options for delivering the coordinated programme leadership and support, built on tried-and-tested programme management and invest-to-save principles, required to provide the necessary links between local, regional and national initiatives, to maximise the mainstreaming of learning and good practice across the sector and to tackle cross-cutting issues such as data sharing and procurement.

Taken together, therefore, the four papers set out a high-level case for investing in a coordinated and comprehensive programme of support to enable local government to maximise the customer benefits and cost savings that can be generated from exploiting the potential of modern digital tools, technologies and approaches in local public services.

Local Government Digital Programme Strategic Operations Unit:
senior programme leadership
cross cutting issues including data sharing and procurement

| Transactions/Platforms | Transformation/Exemplars | Skills and Capacity |

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1 The value of residents being able to search for information about local services, events and activities via council websites should not be under-estimated. People also carry out many different types of transaction with their local councils, ranging from logging a highways fault or housing repair request to submitting a planning application or making a council tax payment.

2 For instance, through generating good customer insight, promoting prevention and behavioural change, enabling citizens and communities to become more self-reliant and designing services in new ways.

2. Context and key messages

Local councils have a long history of exploiting digital information and communications technology for the benefit of their localities, from the finance and housing repairs systems of the 1970s through to the 'apps' and social media of today. The continuing pressures on local government finances make this task more important than ever.

Enabling citizens to find information and carry out transactions online – to 'self-serve' – is an important part of meeting the financial challenges of the coming years. It should help to reduce the contact volumes that council have to handle, encourage residents to find their own solutions to problems, lessen the extent of manual intervention by staff in key processes, and therefore cut costs.

However, we should make it clear at the outset that the strong message coming from local government is that improving the sector's ability to transact online is only part of the solution – the real benefits will come from exploiting digital and other approaches to deliver transformational change in key services. This paper therefore needs to be read in conjunction with our complementary submissions.

It is also the case that consolidated national research data on the interactions between citizens and local government (both online and offline) is patchy and our ability to give an overall picture of channel shift is therefore limited. Particularly in a period of austerity, councils have naturally concentrated on understanding their own individual patterns of contact better and putting in place solutions that meet local need.

To help inform our understanding for this report and the forthcoming Spending Review, the Local Government Association (LGA) and the Department for Communities and Local Government (DCLG) have carried out a recent survey with councils about their work to digitise services. The headlines from this survey are presented later in this paper. However, further research may be required to help identify specific opportunities to apply digital approaches.

Nevertheless, the efforts of bodies such as the Society of IT Management (Socitm) and the Local Authority Contact Centre Benchmarking Group, although largely voluntary and self-funded, as well as research carried out by some private sector organisations, have allowed us to draw certain broad, if qualified, conclusions.[3] In particular, this paper argues that:

- local authorities are generally aware of the potential of digital and keen to exploit it

- a significant proportion of contact and many top transactions are already handled electronically, and the volume of online activity is increasing despite the challenges that councils face in operating online

- there are however variations in performance between councils and between different top transactions, pointing to areas where further advances could be made

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3   The Socitm figures for online contact volumes used in this paper are based on monthly returns during 2014 by 76 English councils to the Society's Website Performance Service. The figures for contact centre volumes are based on two quarterly returns during 2014 to the Local Authority Contact Centre Benchmarking Group. This group has a membership of around 150 organisations, between 30 to 40 of which provide regular statistics. We are grateful to both Socitm and the Benchmarking Group for allowing us to use their data and diagrams in this paper.

- the difficulty of developing a business case at individual authority level for the end-to-end integration of the various digital elements involved in delivering services[4] means that manual rekeying remains prevalent

- developing a few key elements of shared digital infrastructure would greatly benefit many councils as well as central government and help prevent duplication of effort

- we have previous examples of successful models for national, regional and local programmes of improvement and a range of best practice and support networks in local government that could be further exploited to deliver a cross-sector approach.

We strongly believe now is the time to address these issues in local government and that, with an appropriately coordinated and resourced programme of change, councils are ready to achieve greatly enhanced outcomes for their communities, for the wider public sector and for the public purse, building on the excellent exemplars already available in leading authorities.[5]

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4   For instance, linking the e-forms on the council website to its back-office systems

5   In central government, GDS has focused on transforming 25 major public services through building digital 'exemplars'. This has involved significant financial backing. With one exception, the exemplars were designed and built by digital teams in their respective departments rather than by GDS directly.

3. How is local government currently exploiting digital tools and approaches?

A brief history[6]

Digital tools and approaches have helped councils and their partners to

- understand local patterns of need and aspiration and direct resources to where they will have most impact

- manage demand more effectively, for instance by enabling greater take-up of self-service

- provide speedier and more accurate handling of routine tasks, freeing professionals to focus on more complex cases

- support more effective data sharing between local partners, reducing duplication

- encourage innovative new ways of working that provide a better quality of customer experience at lower cost.

While councils have deployed digital technology successfully for decades – and continue to do so – the most comprehensive national technology programme to date in local government was the Local Government Online (LGOL) initiative that ran from 2000 to 2005.

Built on a partnership between national government, national local government bodies (specifically the Improvement and Development Agency) and individual councils, and backed by a central government investment of £670 million, the programme supported a major investment in councils' ICT capabilities, both customer-facing and internal.[7] It enabled local government not only to make significant improvements in the experiences of both customers and staff but contributed substantially to the £4.3 billion of efficiency gains made by the sector during the 2004 Spending Review.[8]

The LGOL programme supported individual councils to use their funding to invest in:

- customer contact centres, including the use of customer relationship management systems

- websites, in particular to provide transactional capabilities for citizens to self-serve

- other emerging technologies, such as smart cards, mobile devices and digital TV.

In parallel, 22 national projects focused on a range of council 'priority services', including e-procurement, online school admissions, planning and regulatory services, and e-benefits, as well as developing a range of e-government building blocks such as knowledge management, e-standards and workflow.

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6 Transforming Local Public Services – using technology and digital tools and approaches, published by the Local Government Association in June 2014, provides a more detailed history of digital in local government as well as many examples of current innovative practice.

7 This fund enabled the recruitment of a national team of expert staff to support the sector as well as specific, cost-justified ICT investments in individual authorities. The fund also financed the 22 national projects.

8 The Audit Commission found that "Local councils in England met and beat the 2004 Spending Review (SR04) efficiency challenge making £4.3 billion total efficiency gains....The most successful approaches to improving back office efficiency during SR04 were redesigned business processes and improved use of Information and Communications Technology (ICT)". See Back to front – efficiency of back office functions in local government, Audit Commission, October 2008, pp. 5-6.

Work progressed on many elements of the LGOL programme after its official end, and since 2005 a range of other initiatives have been implemented in the sector including:

• the Digital Challenge (DC 10)

• the Front Office Shared Services Programme

• specific cross-government developments such as Tell Us Once

• the Customer-Led Transformation Programme.[9]

Meanwhile bodies such as the Society of IT Management (Socitm), the Local CIO Council, the Society of Local Authority Chief Executives (Solace), the Local Government Delivery Council, DCLG's Local Digital Campaign and the Public Service Transformation Network play an active role in developing and sharing thinking and practice around digital in the sector.

Where are we today on digital transactions?

Councils continue to invest in their ICT infrastructures and operational systems and are increasingly taking advantage of emerging tools and technologies, including the development of accessible and usable websites and mobile offerings, the use of 'apps', the exploitation of customer insight and social media to target services and interact more effectively with citizens, and the provision of online directories that signpost customers to a range of services provided in the community by other public, private and third sector organisations.

They are also uniquely positioned to understand the nuances of digital access and participation in their local areas and to share this knowledge with other public service delivery partners, including central government agencies.

Developing online channels and encouraging 'digital first' approaches, where appropriate, remains an important element of councils' digital strategies, recognising both that more people want to carry out their daily business online, at a time and place convenient to them, and also that local government needs to take advantage of the potential cost savings of delivering information and transacting online. Councils are also aware of the growing use of smart phones and tablet devices and are increasingly adopting a 'mobile first' approach.

A recent report by NDL, the National Digital Report 2015, based on a survey of 250 local authorities in England, Scotland and Wales, concluded that 'overwhelmingly authorities continue to state that they want to meet the challenge of budget cuts through channel shift and by extending their online services', with 95 per cent of respondents seeing channel shift as a priority, although the report concluded that there was still a long way to go.[10]

Further research by the LGA on the digitisation of council transactions (summarised later in this paper) found that the vast majority of authorities could see scope for further implementation of digital technologies and approaches in key services, while the 2014 findings from the CIPFA/RedQuadrant Customer Contact Benchmarking Club highlighted that the majority of their almost 50 members were aiming for 'the absolute prioritisation of self-service'.

However there are important challenges, all of which councils are already active in addressing, for instance by providing 'assisted digital' services and free Wifi in their local libraries:

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9   For the main outputs of this programme, including a series of detailed case studies, see www.local.gov.uk/productivity/-/journal_content/56/10180/3510959/ARTICLE

10   The National Digital Report 2015, NDL Software Ltd, 2015. See www.ndl.co.uk/NEWS-EVENTS/Reports. As an interesting indication of councils' willingness to embrace new approaches, the report also found that 48 per cent of respondents were currently using cloud-based services, with 86 per cent of those not already doing so either planning to or considering adopting these services. We are grateful to NDL for giving us permission to include some of their diagrams in this submission.

- A significant minority of people and organisations (estimated at 10.5 million UK adults and 1.58 million small businesses and charities by Go ON UK) do not have the basic digital skills, desire, trust or confidence to embrace technology and digital access to services, but are nonetheless customers for the services of councils and other public bodies.[11]

- Despite the progress made through central and local partnership in the UK Broadband Programme, there remain significant areas of the UK where online access to services remains patchy, slow and expensive. Currently 97 per cent of homes and businesses have access to 2Mbps and by the end of 2015, there should be 90 per cent superfast broadband coverage.

- While some local government services lend themselves to online resolution (eg making a booking for a leisure facility), others such as adoption demand a range of different types of contact including face-to-face interviews.[12]

"Our approach is 'digital by design', recognising that services provide a better customer experience and greater first point of contact resolution at lower cost if the most appropriate channel is adopted. For instance, much of our contact about social care or council tax arrears can be highly complex and lengthy in nature and would result in multiple contacts if we were to try to overly automate it."

**Senior Manager,
Sunderland County Council**

These factors make it essential for councils to develop strategies that recognise that a different mix of tools and channels will be required for different service functions and customer groups, particularly in relation to councils' statutory services.

A further consideration is that many council services (including customer contact itself) are now provided through shared service or outsourcing arrangements or involve a mix of partners from the private, voluntary and community or wider public sectors in the delivery chain.[13] While these arrangements bring many benefits, including cost savings, they also mean that any attempt to develop the fully end-to-end online services that customers would prefer will necessarily involve negotiation with a range of different organisations and potentially expensive investments in integrating their various systems.

Meanwhile, other organisational barriers that councils face to digitising their services include:

- different legacy ICT systems

- external constraints or requirements on how they deliver certain services and/or share data

- inflexible supplier contract arrangements

- lack of skills and capacity to design and implement digital solutions, with retention being a particular issue as the market can offer greater salaries and benefits

- poor understanding and management of the security risks, such as cyber crime and fraud, associated with digitisation and the handling of personal data.

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11   An ONS survey, published in 2014, found that 6.7 million adults (13 per cent of the UK total), over half of whom were disabled, had never used the internet. See www.ons.gov.uk/ons/dcp171778_353031.pdf

12   Although technologies such as Skype which blend live voice and video and are already being trialled in some GP surgeries may offer new opportunities to 'digitise' elements of this and similar processes.

13   The 2015 version of the Local Government Association's map of shared services arrangements in England can be viewed at www.local.gov.uk/shared-services-map. It highlights 416 shared services arrangements resulting in £462 million of efficiency savings. The growth in joint ventures and mutual organisations also has the potential to further fragment both access arrangements and service provision.

Despite these challenges, much progress has been made. Our assessment suggests:

The majority of customer contact is now online for many councils

Data drawn from Socitm's Website performance service and provided by the Local Authority Contact Centre Benchmarking Group suggests that the volume of online contact is now substantially greater than the volume of telephone traffic handled by council contact centres (figures for English local authorities only):

Type of LA[14]	District	MBC	London Borough	County	Unitary
Number of LAs	199	36	33	27	56
Total annual contact centre volume (millions)	30.4	19.7	15.5	8.8	25.0
Annual online contact volume (millions estimated)	109.7	100.1	85.9	66.4	92.2
Ratio of online to contact centre contact[15]	3.6 - 1	5.1 - 1	5.5 - 1	7.5 - 1	3.7 - 1

Data from individual authorities gives a more detailed picture, highlighting in particular the differences between individual service areas, but broadly supports the conclusion that the majority of contact is now online in many councils. The following figures covering total digital and non-digital contact are from a large English unitary council (East Riding of Yorkshire) for the financial year 2014/15:

| Service area	Digital contacts	% digital	Non-digital contacts	% non-digital
Children, families and schools	988,032	62.1	601,850	37.9
Planning & development management	696,395	72.5	264,715	27.5
Libraries, museums and archives	578,192	86.8	88,085	13.2
Streetscene	434,653	59.9	291,357	40.1
Housing, transport and public protection	320,515	45.3	387,568	54.7
Revenues & benefits	140,833	25.7	406,487	74.3
Adult services & business management	43,072	9.8	397,981	91.2
Totals	3,201,692	56.8	2,438,043	43.2

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14 Because of the small sample sizes the contact centre figures for MBCs, counties and unitaries have been adjusted for population size.

15 It is not possible to give the percentage of total contact represented by online contact as the figures for face-to-face contact are not available nationally. Also the above figures only represent telephone calls to the contact centre – they do not include calls to other parts of the council. Therefore we have expressed the volume of online to contact centre contact as a ratio. So for every one telephone call handled in its contact centre, a district would currently expect to handle 3.6 contacts online.

Further examples are given in Appendix 1.

Over time contact is continuing to shift to online channels
If we look at trends over the past ten years, the number of web visitors has increased steadily. The chart below shows the trend for a group of 14 councils whose data Socitm has reported over that period.
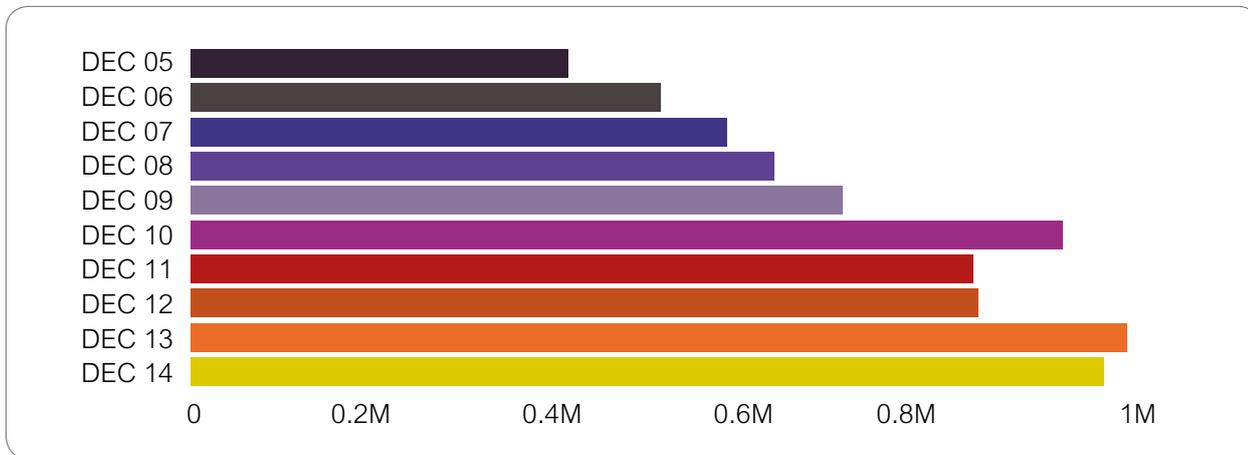
It is also reported that 42 per cent of visits during 2014 were made on mobile devices (tablets as well as smart phones) up from 31 per cent in 2013. See Better connected 2015 section 3.2.

Meanwhile the National Digital Report 2015 mentioned earlier found that 95 per cent of councils used e-forms on their websites, with the remaining 5 per cent planning to do so, with an estimated 3.1 million service requests being processed each year via this route. The number of services offered through e-forms is also growing over time.

Number of shared services through e-forms 2013-2015
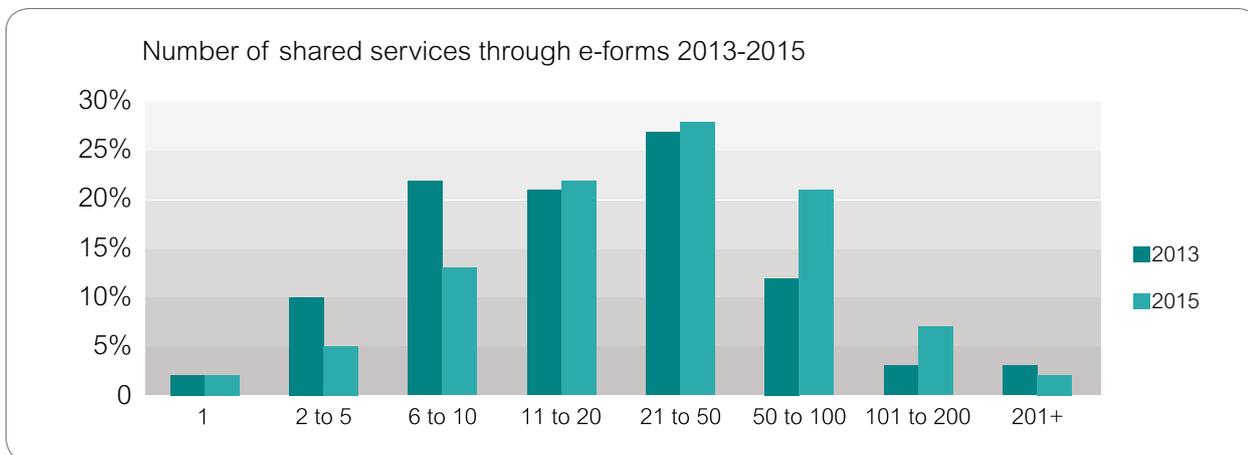
The survey also found that almost half of the respondents were either planning to move away from CRM towards e-forms or were considering doing so as part of their channel shift policies, illustrating 'how quickly e-forms are catching up'. Where CRM systems continue to be used, they are handling increasing numbers of services, therefore introducing a further digital element into local service delivery.[16]

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16 See for instance the diagrams on pages 14 and 19 of the report.

Once again, data from individual councils provides evidence of this move towards online channels. One London council (Tower Hamlets) has tracked the following pattern in its customer contact over the period 2010/11 to 2014/15:

Channel/Date	2010/11	2011/12	2012/13	2013/14	2014/15
Web	70.1	73.4	82.1	80.3	82.8
Hotlines	23.0	22.0	13.8	15	12.8
One stop shops	6.9	4.6	4.1	4.7	4.4
TOTAL %	100	100	100	100	100

Another London council (Havering), which started from a low base of online transacting, has seen the following recent developments in key service functions:

Service	% online December 2013	% online April 2015
Fly tipping	18	24
Missed bin collection	20	40
Faulty street lighting	28	46
Highway defects	35	39
Visitor parking permits	0	22
Residents parking permits	0	48

Councils are encouraging this type of shift by improving their websites so that these are accessible from a range of devices, including smart phones and tablets, by offering facilities such as assisted digital support, self-service kiosks and web chat options and by making concerted efforts to improve the digital literacy of their communities.

East Riding of Yorkshire has deployed multi-functional self-service kiosks in a number of its next generation Community Hubs. The kiosks combine payment and web-based self-service facilities designed with a user interface aligning to both web and mobile, allowing customers among other things to report missed bins, book bulky waste collections, log housing repairs and make council tax payments.

Leeds' live chat provides support to website users to help them complete their business online. Customer advisors can deal with three enquiries simultaneously, making live chat much more efficient. After launching this new service, the council saved over £18,000 in the period from August 2013 to March 2014.

Sunderland has a dedicated Community In-reach team that works at the heart of communities to improve digital literacy and increase digital take-up. To extend its reach, the team often works with GPs, voluntary and community sector bodies and other organisations that touch a wide range of people.

Many top tasks can now be tackled online
Socitm's Better connected 2015 survey reviewed 407 council websites across the UK, focusing on a number of 'top tasks' ranging from applying for free school meals and finding out about respite care to reporting a missed bin and renewing a parking permit.

For each top task, Socitm analysed the customer journey, concentrating on the ease of finding the task (eg from a Google search or an A to Z index) and the ease of completing the task step-by-step. Achieving the standard for the task indicated that the website was successful in enabling a visitor to find and complete the task.

For each authority, the customer journey rating for a set of relevant top tasks was then combined with a range of other data to give an overall star rating for the council. For example, to achieve a four star rating, the website of a single-tier council had to achieve the Socitm standard for five out of eight top tasks, meet four out of four usability criteria, be rated very good overall by the reviewer and meet a new mobile standard.

That 42 per cent of English councils achieved a three or four star rating suggests that citizens in many areas (no doubt in part as a result of the LGOL investment) are now able to complete a considerable number of transactions online.

Ranking (number of stars)	Number of councils (UK)	Share of councils (UK) %	Number of councils (England)	Share of councils (England) %
Four stars	35	9	29	8
Three stars	148	36	120	34
Two stars	109	27	107	31
One star	115	28	95	27
Total	407	100	351	100

On the other hand, 58 per cent of English councils achieved only a one or two star rating, indicating that there is undoubted scope to improve customer service, take-up and the quality of the user experience offered by many of the websites surveyed.

Variations in performance remain significant
As the figures above suggest, there are wide variations between the best and the worst performing council websites. Socitm comments that the tasks that generally gave the greatest difficulty were:

• those accessed via mobile devices (indicating perhaps where councils are struggling to keep up with changes in patterns of user behaviour)

• those relying on third-party software that is either not easy to use or poorly integrated.

Meanwhile accessibility and usability is still patchy in many cases, with ongoing user testing not always the norm.

There are also marked variations between different tasks. Taking as an example two key tasks from Better Connected 2014 that are common across the larger English councils (counties, London Boroughs, metropolitan councils and unitaries), there is a significant difference in performance. The percentage of councils meeting the assessors' standard for 'Applying for a primary school place' is far higher than for 'Finding out about a care home', despite the increasing importance of the latter as the UK population gets older.
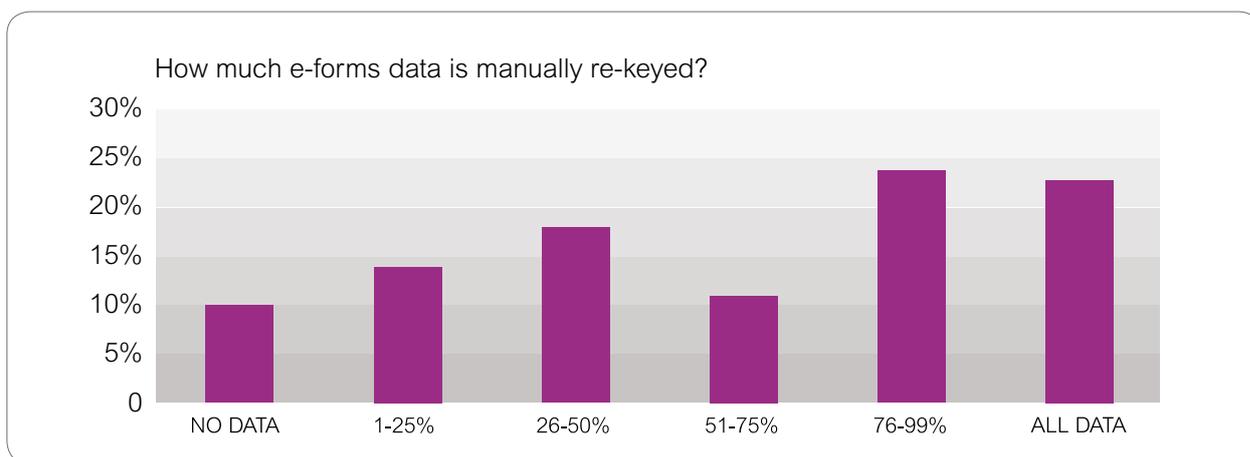
Task/Type of LA	County	London Borough	Metropolitan BC	Unitary
Primary school % meeting standard	92.59	69.70	77.78	76.79
Care home % meeting standard	55.56	15.15	36.11	33.93

It is perhaps no surprise to discover that online schools admissions was the focus of a coordinated national programme of activity, involving both central and local government – the Connect Digitally programme discussed later in this paper.

Lack of integration leads to substantial rekeying of data

For reasons we discuss below, councils have often had difficulty justifying the cost of supporting their processes with end-to-end systems and data integration. The result has often been what might be called a 'lipstick on the pig' syndrome, where the data entered online by residents on council websites has had to be rekeyed into back-office systems run by the council or its delivery partners.

The scale of the problem has been highlighted by a number of sources. For instance, the National Digital Report 2015 found that some 23 per cent of councils using e-forms re-keyed all the data they received, while on average 54 per cent of the data transferred from e-forms to the back-office was re-keyed.

How much e-forms data is manually re-keyed?

	NO DATA	1-25%	26-50%	51-75%	76-99%	ALL DATA
%	10%	14%	18%	11%	24%	23%

Meanwhile, the 2014 findings of the CIPFA/RedQuadrant Customer Contact Benchmarking Club were that 65 per cent of their members believed integration to be a big or very big issue and 68 per cent agreed that lack of integration was a barrier to providing more efficient and effective customer service.

Unfortunately, the fact that the NDL survey also found that a high proportion of the data captured by council front-line staff in their long-established CRM systems is re-keyed suggests that this is not a temporary or easy-to-resolve issue. And, of course, as more cross-organisational work takes place in areas such as social care, the problem will intensify.[17]

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17 The costs of re-keying time should not be under-estimated. Research by Personal Social Services Research Unit at the University of Kent calculated the cost of a social worker in adult services (including qualifications) at £57 per hour for 2012/13. See Unit Costs of Health and Social Care 2013, PSSRU, 2013.

4. Some reflections on transactions in local government

Any consideration of online transactions in local government needs to take into account the nature and spread of the services delivered by the sector.

First, the pattern of services and therefore the 'top transactions' varies by type of authority and even within the same type of authority. For instance, councils in London get more queries about parking and fewer about public transport than their equivalents in many other cities (Transport for London typically handles these directly), while libraries is the most significant county service in terms of contact volume. The top five visits in 2014 to council websites in England by service area based on Socitm's Website performance service were as follows:

County	% of visits	District	% of visits	LB	% of visits	MBC	% of visits	Unitary	% of visits
Libraries	17.45	Waste	21.44	Parking	13.19	Waste	12.27	Waste	16.78
Schools/youth	9.28	Planning	16.90	Waste	10.76	Council tax	9.50	Council tax	8.35
Transport/buses	7.63	Council tax	11.26	Housing	9.04	Jobs	7.29	Libraries	7.02
Jobs	7.06	Leisure	6.33	Council tax	8.53	Libraries	5.89	Planning	6.72
Waste	5.89	Housing	5.81	Libraries	7.89	Leisure	4.89	Leisure	5.96

We need therefore to take a broad view of what any list of 'top transactions' for local government might contain.

Second, even where a task appears particularly appropriate to being handled online, the main cost is likely to lie elsewhere. To take the example of fly tipping, it is possible to envisage a process where a service request generated from an 'app' on a citizen's mobile phone would be passed electronically as a job to an operative's hand held device. However, most of the cost involved in the process will be in the operative's time, the capital, maintenance and fuel charges involved in his or her vehicle, the landfill costs etc. Savings through digitising the initial transaction, although important, are only a small part of what might be saved through a wider analysis and redesign of the whole process, including its end-to-end digital enablement from customer access and reporting to fulfilment.[18]

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18 Academic research on the trajectory and evolution of e-government, with its traditional emphasis on building web portals mapped onto historic public administration functions and processes, is increasingly questioning the ability of such an approach to slash administrative costs in the public services once the costs of development and periodic redevelopment, maintenance, security, cyber-defence, updating to meet new channels (eg mobile platforms) and other factors are taken into account (Waller and Weerakkody forthcoming). GovMetric channel satisfaction data also suggests that local citizens are less satisfied with the web channel than with telephone or face-to-face contact, although this may be influenced by the quality of council websites.

One London Borough with an active digital programme (Camden) is planning to deliver savings of £73 million between 2015/16 and 2017/18 but is anticipating that phase 3 of its Customer Access programme will deliver efficiencies of just £641,000 – that is less than 1 per cent of the total.[19] In other words, improving customer access is just the 'tip of the iceberg' of what needs to be achieved through a wider approach to service redesign.

Third, in contrast to many central government departments which deal with a small number of transactions at high volumes, local councils typically deliver a wide variety (700+) of low-volume services. As one would expect in a competitive market, councils work with a range of suppliers of ICT products and services, as well as with many other service delivery partners. The respondents to the National Digital Report 2015, for instance, were using almost 30 different e-forms vendors in what remains a very fragmented market. The low volume of many transactions has also meant that councils have not always spent time analysing the unit costs of particular transactions (although the recent survey by the LGA and DCLG on the digitisation of council transactions – discussed later – found that almost half of councils already monitored the costs of the transactions covered by the questionnaire).

It is therefore very difficult for any individual council, however pressing its needs, to put together a sustainable business case to support the end-to-end integration of specific services – from a website or CRM front-end, to the council's back-office systems, to the systems used by external delivery partners. Given the relatively small volume of transactions and the relatively high cost of integration, in many instances the finances will only become realistic if a number of councils with similar needs can collaborate, or if individual councils can invest in technologies that can serve multiple functions or take advantage of a nationally-developed

piece of infrastructure ('platform') that has been designed with local government's requirements in mind.

With these caveats, the discussion above highlights a number of points:

- For many tasks there are already examples of excellent practice in existence. The challenge here is to intensify the efforts to mainstream and embed the knowledge already available in the sector and to provide practical support to those authorities who need to develop their digital skills and approaches. There are opportunities here to build on the work already undertaken by the Socitm, the LGA, Local CIO Council and others, as well as to exploit the process maps and other assets developed by individual authorities.[20] However, to support digitisation at scale, enabling all councils provide their citizens with the range of easy-to-use online transactions that are accessible across all devices, and to fully realise savings, a comprehensive programme with appropriate investment will be required.

In 2014/15 the LGA invested £390,000 in its Digital Experts programme, funding 27 council-led projects with the aim of generating significant efficiencies.

- There are areas where all authorities and wider government would benefit from a common approach, building where appropriate on the concept of 'government as platform'. Examples include a pan-government authentication service[21] and common payment engine that would support the many different types of service fees now levied by local authorities and other parts of government.

- Developing greater expertise in designing apps, websites and online processes that are tailored for mobile devices and are both accessible and usable would

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19 See Camden Council's Medium Term Financial Strategy Report December 2014 p. 67 at www.camden.gov.uk/ccm/content/council-and-democracy/ publications-and-finances/financial-strategy-updates/

20 For instance, East Riding of Yorkshire Council has done extensive work on process mapping and has provided the LGA with an initial selection of its outputs.

21 This should build on the current GDS-led Identity Assurance programme, expanding it to include local authorities and designing it to reflect the needs of their customers.

be particularly valuable, as this form of contact is growing and is a current area of weakness according to Socitm's research.

- Integration with back-office systems – and with the front-line workforce – remains an issue, as we have seen, and a constraint on providing true online end-to-end service in some functions. There is a need for a more active and challenging dialogue with the commercial suppliers of key local government software and outsourced services about how they can 'open up' their systems, for instance through the provision of open application program interfaces or 'universal adaptors'.[22]

- Integration across the public sector also remains challenging, with health and wellbeing increasingly emerging as a key area for an improvement in online activity and the redesign and digital enablement of processes. However many of these processes have grown up incrementally over many years with little or no thought given to service efficiency or their wider integration into other local services.

A Socitm study on the online user experience of social care, published in September 2014,[23] highlighted that certain tasks are handled reasonably well (for example blue badges – again another example of a joint central and local government national project), but concluded overall that "social care online services need to be radically improved in order to achieve the degree of channel shift required", at the same time noting that "unusually in our experience of local authority websites, we found no exceptions to point to as exemplars of how to do it well".

On a more positive note, the National Digital Report 2015 found that 81 per cent of the 118 councils in the survey with social services

departments were already sharing data or services with the NHS, with 65 per cent sharing both, and that there was a greater willingness to share in this service area in general, although technology and data issues remained a barrier.

- Finally, Socitm's website research points to the efficacy of previous national programmes of joint central/local activity in raising the volume and standard of online interactions in key service areas such as schools admissions. We need to consider the scope for additional support of this nature and where it should be targeted.

The initial findings from a survey into the digitisation of council transactions carried out by the LGA and DCLG during June/July 2015 reinforce many of the messages in this paper. In particular:

- A high proportion of councils report that there is scope for further digitisation. The results and free-text comments suggest that re-keying of information remains a significant problem and that a major focus of any support should be to fund upfront work to integrate systems, thereby allowing users to complete their end-to-end transactions digitally.

- Despite the support for further digitisation, the savings generated as a result are perceived to be modest, with those services most eligible for digitisation generally offering the smallest return. It will therefore be essential to focus support for the sector on the areas where a collective solution is likely to be most cost-effective.

- There is significant support for pan-government approaches in areas such as authentication (66 per cent of respondents), changes of address (53 per cent) and payments (46 per cent), with the caveat that local government needs to be involved in co-designing any solutions.

The survey also highlights a range of other requirements, including the need for improved data sharing and help with negotiating with suppliers. The full results are currently being analysed in detail and will be made available shortly.

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22 APIs are a set of functions and procedures that allow the creation of applications which access the features or data of an operating system, application or other service. They can therefore assist different systems to share data. A universal adaptor is a generic tool that can replace vendor APIs, allowing data to be read and written between many different back-office systems. They are often used where a traditional API is not available, does not do exactly what is required, is too expensive or complicated to use

23 Health and social care reforms: the ICT and digital implications. 1. The online user experience in 2014. Socitm Insight, September 2014.

5. How can we best make progress?

Building on the example set by the recent GDS programme, Government now needs to invest in developing the skills, capacity and coordination required to deliver an effective local government programme of support and development activities. This will enable the sector rapidly to maximise the savings and benefits from implementing well-designed transactions consistently across key local services. The programme will need to build on existing work and relationships in the sector as well as to collaborate with central government and draw on its expertise where appropriate.

Recognising the current severe financial constraints, any sustainable progress is likely to require:

• identifying and replicating on a wider scale the effective practice that already exists

• taking advantage of the networks and communications channels currently in place to share that practice

• designing additional interventions in ways that have proved successful in the past.

Fortunately, there are already various established representative bodies, networks and channels in place within local government to share and support excellent digital practice, including the national and regional work of bodies such as Solace and Socitm and the activities of the LGA, Local Government Delivery Council, DCLG and the Public Service Transformation Network. However, these bodies have generally suffered from under-investment; therefore boosting them could have a major impact on supporting the sector to maximise the opportunities of digital.

At the same time, there have been a number of highly successful joint programmes of digital innovation at national, regional and local level which highlight how effective and sustainable improvements can be achieved. Two examples are:

The Connect Digitally programme
The award-winning Connect Digitally programme was a central/local government partnership funded by the Department for Education and led by Hertfordshire County Council. Building upon the LGOL e-Admissions project, the programme's objectives were to continue to drive change for school admissions and increase online take-up, while also transforming the application process for free school meals. It also led work on transforming online payment for educational services and cashless catering.

Connect Digitally's core approach was to transform transactional services by:

• moving towards digital as the default channel

• driving down service delivery costs

• realising benefits and cashable savings

• reducing bureaucracy

• improving service quality for parents and carers.

The programme realised initial returns on investment within 18 months of its inception and achieved a six-fold return on investment, with total savings of £42 million against a £5.6 million investment.

The London Freedom Pass renewal programme

The Freedom Pass is London's concessionary travel scheme. It is administered by London Councils on behalf of the 32 London boroughs and the City of London.

Eight hundred and fifty thousand Londoners over 62 years of age had to renew their Freedom Passes by 31 March 2015, when their existing cards would expire automatically. The challenge was twofold: to ensure that most people had renewed their pass before that date; and to maximise online renewal with a group of customers whose digital skills were uncertain and who did not interact significantly with Government online.

The project involved a wide range of partners including the contractors manufacturing the cards, the call centre contractor, concessionary travel officers and library services (both in-house and contracted out), communications teams in the 33 boroughs, London Councils' Freedom Pass and Communications teams, Transport for London, the Association of Train Operating Companies, and a range of voluntary organisations such as Age UK.

Through a carefully managed process that involved customers in co-design and made maximum use of the expertise of the various partners, the project was able to achieve great success:

- at the end of the renewal period, 85 per cent of people had renewed their passes and 75 per cent of the renewals had been done online

- nearly 11 per cent of those who renewed online had never used the internet before

- savings of £250,000 were identified.

Other examples of excellent joint programmes can be identified, including the Blue Badge Improvement Service led by the Department for Transport and the work on the Integrated Digital Care Record emerging from the integrated health and social care pioneers programme.[24]

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24 This project is combining the learning from different localities to develop shared 'whole place' capabilities that can be applied to different local contexts.

Underpinning all these successful projects are a number of key principles:

- they are based on a true partnership, with different organisations working towards a shared goal and contributing their specific expertise and knowledge

- they involve engagement from the outset between central and local government to ensure that local nuances are addressed and reflected in the design process

- they are designed around user needs and underpinned by detailed research into customer attitudes and journeys, which allows for 'myth busting' eg the belief that families entitled to claim free school meals would not go online

- they combine a focus on process review and service improvement with a robust approach to identifying, measuring and realising benefits including cost savings

- they invest significantly in excellent project and relationship management and communicate constantly through a variety of mechanisms (online and offline) with end users, the delivery partners and a wider community of practice

- they all have to overcome a variety of barriers, from customer and staff scepticism, to reductions in budgets, legal issues around eg data sharing, risk-averse cultures etc. But success is achieved through the combined expertise, drive and resources of different partners focused on a common goal.

6. A blueprint for success

The discussion above has highlighted much that can be built upon in building better online transactional services in local government:

- widespread recognition in the sector of the importance of delivering a better online experience, both to meet residents' expectations about transacting digitally and also to improve services and save money

- a history of putting information and services online, building on previous programmes of investment in 'electronic government'

- innovative work by a number of leading councils to promote radical 'channel shift' and create seamless end-to-end services underpinned by integrated data and systems

- an expressed willingness to embrace pan-government solutions ('platforms') in key areas such as authentication and payments[25]

- previous experience of designing and delivering successful, sector-wide programmes of support and change.

At the same time, the sector as a whole faces many challenges: to fully understand and exploit the potential of new digital tools, technologies and approaches; to find ways of sharing existing good practice and assets across all authorities; to integrate existing systems and processes and avoid re-keying; to present a common front to commercial suppliers; to collect robust data on current costs and build business cases for future investment; to link effectively with other public

and voluntary sector partners.

The danger is that progress remains piecemeal and uncoordinated. The opportunity is to develop a focused but comprehensive and properly resourced programme of support, designed on invest-to-save principles, which will 'industrialise' a sector-wide approach to digitisation by:

- exploiting and promoting the assets and good practice already available in the sector

- supporting central government and other partners in designing and implementing some key pieces of common infrastructure[26]

- helping the sector develop better models for collecting relevant data and analysing return on investment

- enabling links to be made to the broader 'transformational' agenda, which is the subject of a separate but complementary submission.[27]

None of these changes will happen, however, without leadership nationally, regionally and locally. With the support of central government, we need to build the capacity of existing bodies in local government

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25 Cornwall Council is already working with the Better Regulation Delivery Office and GDS on online licencing applications – a good example of how central and local government could collaborate to develop shared digital assets.

26 For instance, changes of address are a transaction that affects all local authorities as well as other public service bodies. This was originally going to be the focus for the next stage in the Tell Us Once (TUO) programme, but was postponed. However, given the successful implementation of TUO, which is now operational in over 90 per cent of councils, an excellent platform exists on which to build this much-needed service.

27 For example, a programme might combine a focus on improving online access to health and social care information and transactions with additional support for the emerging non-transactional but complementary work on integrated digital care records being carried out by the integrated health and social care pioneers.

both to raise awareness of the potential of digital approaches among senior politicians, managers and staff and to provide practical support for councils to develop better online transactional capabilities. A separate but linked submission addresses the specific issue of how to develop the necessary digital leadership skills and capacity in the sector.

The experience of previous successful sector-wide initiatives also underlines the importance of effective programme management in binding together national, regional and local activities, in sharing and promoting the use of the assets developed, and in ensuring that any investment fully realises its expected return. Fortunately, programmes such as Connect Digitally have highlighted the scope of what a coordinated and properly resourced suite of activities can achieve in driving up online transactions, as has the successful work by the Government Digital Service in central government, with its emphasis on working collaboratively with staff close to the point of delivery in a co-production environment. Once again, a separate but linked submission examines the options for structuring a support programme.

Clearly there is further work to agree the priorities, scope out potential initiatives and develop a robust business case for them. However, the opportunities are there to be seized. The LGA and its partners in the sector look forward to working with the DCLG on this vital task.

Appendix
example contact patterns from individual councils

London Borough of Newham

Enquiry trends by channel

Channel	Oct 11	Apr 12	Oct 12	Apr 13	Oct 13	Apr 14	Oct 14	April 15
My Newham %	5	13	39	34	38	51	50	60
Love Newham (app) %	0	1	1	2	3	5	4	8
F2F %	55	51	32	24	23	11	14	9
Phone %	30	29	16	23	29	28	22	15
Other % *	10	6	12	17	7	5	6	8
Total % online	**5**	**14**	**40**	**36**	**41**	**56**	**54**	**68**

Additional key facts include:

- many services were made online only from January 2015

- 83 per cent of bulky waste enquiries and 90 per cent of green waste enquiries in the 6-month period to May 2015 were logged by self-service via My Newham

- 67 per cent of fly tipping enquiries in the 6-month period to May 2015 were logged by self-service via Love Newham app

- 100 per cent of visitor parking permits and 79 per cent of resident parking permits were logged online via My Newham in May 2015

- 6 per cent of all CRM enquiries in 6-month period to May 2015 were logged via the Love Newham app

- mobile payments surge in May 2012 as visitor parking permits go primarily online then continue to rise as mobile internet takes off

- in April 2015, 9 per cent of online enquiries were from tablets and 16 per cent from mobile devices.

East Riding of Yorkshire

For digital and non-digital contact in financial year 2014/15, see page six of main text.

The table below outlines the further granular level of contact and transaction data available across the channels, with Streetscene services shown as an example.

| Service Area	Digital						Non Digital						Total
	Web	% Web	E-Form	% E-Form	Digital Total	Digital %age	Tel	% Tel	F2F	% F2F	Non Digital Total	Non Digital %age	Grand Total
Refuse and Recycling													
Household Waste Recycling Sites	158,354	99%	0	0%	158,354	99%	1,630	1%	188	0%	1,818	1%	160,172
Caddy liners issued	0	0%	0	0%	0	0%	765	1%	72,472	99%	73,237	100%	73,237
General query	5,930	18%	93	0%	6,023	18%	26,111	79%	764	2%	26,875	82%	32,898
Bin Content Information	29,404	92%	0	0%	29,404	92%	2,135	7%	263	1%	2,398	8%	31,802
Bulky Collection	13,331	60%	3,095	14%	16,426	74%	4,757	21%	1,162	5%	5,919	26%	22,345
Replacement/ new request	9,799	49%		0%	9,799	49%	7,108	36%	2,918	15%	10,026	51%	19,825
Missed Collection	4,899	40%	570	5%	5,469	44%	6,281	51%	619	5%	6,900	56%	12,369
Highways													
Condition of Roads	127,760	99%	0	0%	127,760	99%	619	0%	501	0%	1,120	1%	128,880
General query	0	0%	897	1%	897	1%	98,386	99%	478	0%	98,864	99%	99,761
Highway Services	0	0%	0	0%	0	0%	31,721	98%	591	2%	32,312	100%	32,312
Abandoned Vehicles	3,975	95%	48	1%	4,023	96%	135	3%	32	1%	167	4%	4,190
Parking													
Overhanging Trees/verges	0	0%	190	9%	190	9%	1,226	60%	642	31%	1,868	91%	2,058
Car Parking Enforcement	75,911	95%	0	0%	75,911	95%	3,111	4%	730	1%	3,841	5%	79,752
General query	0	0%	35	0%	35	0%	17,867	98%	418	2%	18,285	100%	18,320
Car Parking Zones	0	0%	362	4%	362	4%	719	9%	7,008	87%	7,727	96%	8,089

Additional key facts include:

- for 2014/15, 50 per cent on average of online contact came via mobile devices (smart phones and tablets)

- there were 2,314,288 sessions to the website – a 22 per cent increase in traffic compared to 2013/14. There were 6,615, 475 page views across the council website – a 10 per cent increase on the previous year.

Mobile stats
- 25 per cent of traffic to the site comes from a mobile phone – a 5 per cent increase in traffic compared to 2013/14. 17 per cent of traffic comes from a tablet – a 55 per cent increase in traffic compared to 2013/14

- 61 per cent of mobile visits come from an Apple device, 34 per cent from Android devices. Total traffic from mobile devices (phones and tablets) was 42 per cent

- 58 per cent came from a desktop PC, with an 8 per cent increase in traffic compared to 2013/14.
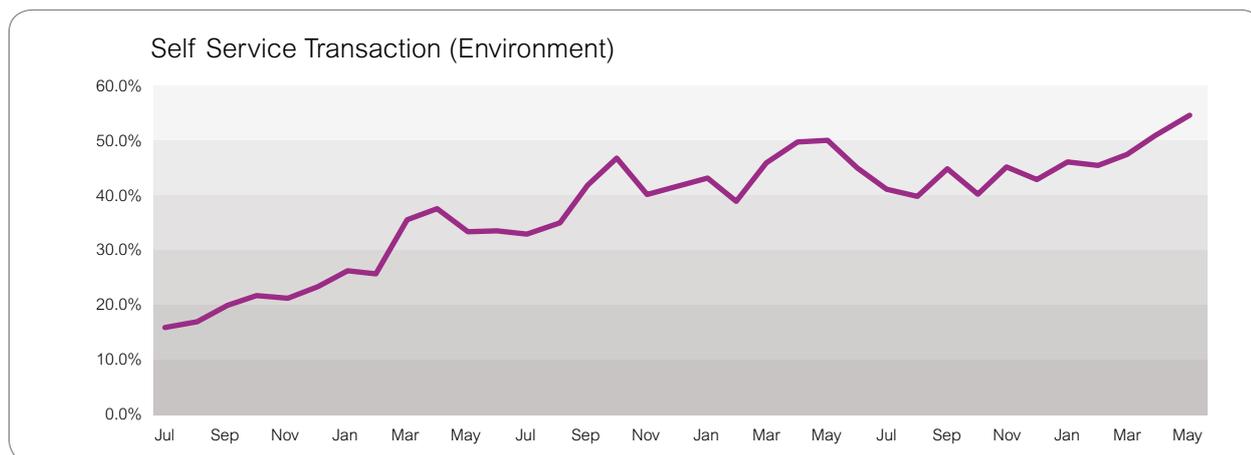
Royal Borough of Kingston upon Thames

Online transactions (Environment)
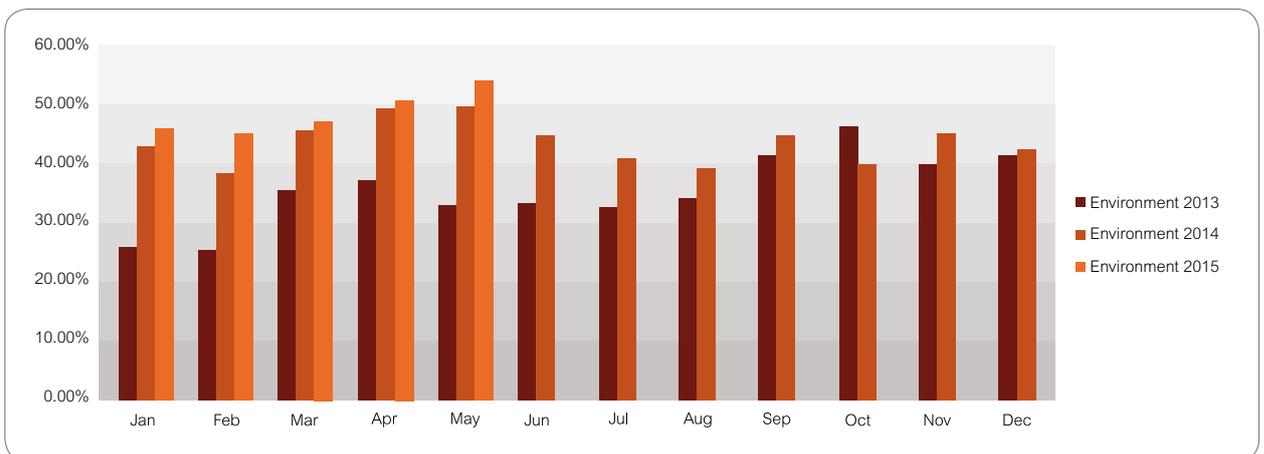
Telephone calls (Environment)
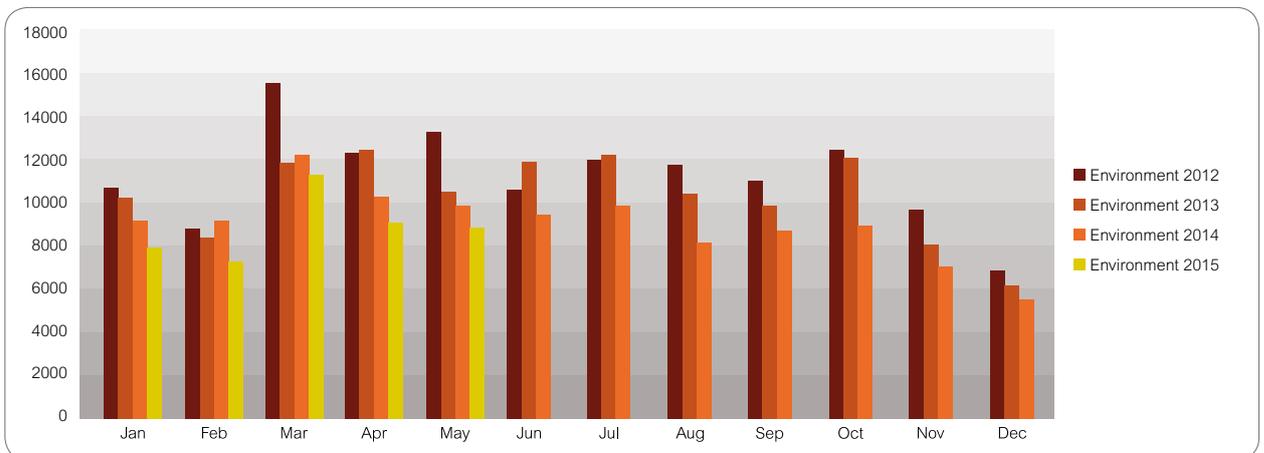
Pattern of self-service (Environment)

Self Service Transaction (Environment)

Example transactions

Channel Shift Examples							
Missed Collections	Jan-13	Jan-14	Jan-15	Fly Tipping	Jan-13	Jan-14	Jan-15
% Self Service	22.42%	44.31%	43.75%	% Self Service	23.40%	51.08%	56.60%
Replacement Containers	Jan-13	Jan-14	Jan-15	Faulty Street Light	Jan-13	Jan-14	Jan-15
% Self Service	36.48%	55.90%	59.61%	% Self Service	39.15%	49.03%	56.79%
Carriageway Defects	Jan-13	Jan-14	Jan-15	Bulk Waste	Jan-13	Jan-14	Jan-15
% Self Service	31.58%	44.53%	46.49%	% Self Service	4.58%	44.66%	44.16%

Additional key facts include:

- The Royal Borough has saved more than £400,000 from reduced contact centre running costs since 2012 by improving its website's transactional functions.

- Recent measurement of online service transactions showed that more than 50 per cent of residents interacted online with the council, with a third of transactions made from a tablet or smart phone. Three years ago, just 15 per cent transacted online with www.kingston.gov.uk

- The council encouraged the adoption of online services in three main ways: with an awareness campaign; by redrafting content to make information easier to navigate; and by adopting the Government Digital Service's design principles.

London Borough of Havering

Customer transactions by key transactions, by volume, April 2015

Service	Letter	% letter	Email	% email	Online	% online	Phone	% phone	F2F	% F2F
Fly tipping	0	0	16	5.1	77	24.5	178	56.7	43	13.7
Missed bin	2	0.5	6	1.3	182	40.7	256	57.3	1	0.2
Faulty lights	0	0	4	2.8	66	46.5	72	50.7	0	0
Highway defect	0	0	50	22.0	89	39.2	88	38.8	0	0
Visitor parking permit	3	0.6	0	0	103	21.7	0	0	368	77.6
Resident parking permit	4	0.7	0	0	286	47.5	10	1.7	302	50.2
TOTALS	**9**	**0.4**	**76**	**3.4**	**803**	**36.4**	**604**	**27.4**	**714**	**32.4**

Sunderland City Council

Originating channel for requests for service (which need to be fulfilled by a service delivery team) recorded by the council's CRM system for April 2015:

Service area	% post/fax/ email	% web	% telephone
City & Neighbourhood including waste management, parking, street lighting, licencing	1.9	25.0	73.1
Health & Wellbeing including adult services, blue badges, child services, equipment	3.2	0.4	96.3
Life & Family including bereavement services, fostering and adoption enquiries, registrars, school admissions	0	27.7	73.3

Additional key facts include:

• in the six months to January 2015, 50 per cent of the online contact came via mobile devices (smart phones and tablets)

• web chat is predicted to be the largest growth area in customer contact between now and 2017

• statistics for the online housing benefit claim form, the Planning Portal and Libraries are recorded in separate legacy systems and will follow.

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