

e-Government Outlook 2004-05 Key issues for better services



*Dan Jellinek (editor), Mike Cross,
Julie Hill, SA Mathieson, Mark
Mayne, Derek Parkinson and Mel
Poluck,*
HEADSTAR*

ABSTRACT

As the 2005 target for 100% availability of online services approaches, the policy focus has already shifted elsewhere, to organizational 'transformation' and centrally-set priorities.

*** This article was reproduced with permission from E-Government Outlook 2004-05, a comprehensive, independent round-up of an entire year's developments in e-government in the UK and elsewhere from Headstar, publishers of E-Government Bulletin. You can order a copy of this unique report at:**
<http://www.headstar.com/egovoutlook/>

The biggest challenge for public sector bodies over the next 12 months, as they move beyond the initial stages of developing e-government, is "transformation". The term encompasses a range of meanings, but the two consistent elements at its core are the rationalization and improvement of internal organizational processes ("Business Process Re-engineering") and a constant striving to change an organization's culture so that everyone is aware of the uses and possibilities of new technology. The result, so the theory goes, will be vastly improved services for the public, increased efficiency and the best possible return for a massive and still rising investment in information and communications technologies across the public sector.

"Merely placing services online as they stand risks creating an expectation gap," says Erkki Liikanen, European Commissioner for Information Society Technologies. "You do not put a high-speed tilting train on a 19th-century railway line. Transformation of internal operations and acquiring new skills is essential to maximize ICT innovation and derive the greatest benefits from our investments," he told E-Government Bulletin.

Across Europe, governments face demands for services that address public needs more closely, and are delivered ever more efficiently, Liikanen says. "European countries have consistently ranked in the top 10 in independent surveys. However, what now needs to be done is to fully realize the benefits of e-government in terms of better quality services for all citizens, less red tape, more efficiency in the back office and increased participation in democratic processes."

At the same time, the EU has seen the greatest expansion in its history, drawing in 10 new members, many of them from the former Soviet bloc. Although the economies of these countries are typically less well-developed than their new partners, they bring to the EU valuable experience in transformation dismantling old bureaucratic structures and responding to a public hungry for more open and accountable government, Liikanen says. "It is important not to underestimate the new and future member states. All EU countries can benefit from shared lessons learned in e-government this is not a one-way street."

Liikanen said the progress of new entrants in the areas of electronic ID, online land registries and mapping systems were likely to be of particular value to current EU members. "Exceptionally well educated populations have shown a drive to implement transparent and open government in their new democracies. For example, the implementation of electronic ID based on European standards has been pioneered in Estonia, while electronic drivers licenses have been rapidly rolled-out in Poland and also in Romania. Some of these countries

cadastre [land registry and mapping] systems are world-beating," he says.

Transformation already dominates much thinking about e-government in the UK. According to this year's survey of E-Government Bulletin readers from the public sector, culture and business change is the second biggest challenge faced in implementing e-government projects after the general (and age-old) problem with tight resources.

A test of how well government bodies have progressed will be the Freedom of Information Act (Fol <http://fastlink.headstar.com/act1>), which comes into force in January 2005. Fol allows public access to almost any public authority-held records they request, with a few exemptions for issues such as national security (<http://fastlink.headstar.com/act3>).

The re-engineering of internal processes and changing of cultures will be a vital part of ensuring that organizations know what information they hold, manage it properly, and can release it to the public on demand as the new law will require. Culture change will be necessary too: "Fol will be a struggle without a significant attitude shift in the public services towards an assumption of the public 'right to know'," says Katherine Fox, policy advisor at the Department of Constitutional Affairs.

Because transformation aims to reshape services according to the needs of users, increased dialogue with the public is an intrinsic part of government transformation, according to consultant David Fellows.

This opens the way for a link to be forged between the e-government and e-democracy agendas, which are all too often pursued as separate tracks. Increasingly, those who champion e-democracy argue that e-participation (online debate, discussion and interchange of ideas) is at least as important as the more one-way techniques of e-consultation. Whereas e-consultation is geared to tightly defined goals such as specific pieces of legislation, e-participation offers an extended and more equitable dialogue between government and the public.

The transformation phase of e-government will be directed from the centre of government by a brand new agency: the Office of e-Government (OeG), within the Cabinet Office. The office will take on the e-government work of the Office of the e-Envoy (OeE), which is set to be dissolved. It will be a more focused, implementation-led agency than the OeE, which was set up as a broad-based unit embracing e-government and e-commerce to evangelize about the use of new technologies and stimulate activity across all sectors. The e-commerce and some of the digital inclusion activities of the old office will be redistributed to the Department of Trade and Industry, the Department for Education and Skills and other bodies.

The OeE will not be missed by some technology companies, which experienced difficulty engaging with its Byzantine structures and bureaucratic approach.

"There was a lack of clarity about the role deciding whether OeE is champion, strategist, advisor to departments, knowledge management, delivery or change agent," says John Anderson, director of public sector business at BT. According to Anderson, suppliers also found it difficult to

thread their way through the areas where OeE responsibilities abutted those of other departments. "I used to say to Andrew [Pinder, the e-Envoy]: 'I'm confused by this it's difficult to find out who owns what,'" says Anderson.

Another supplier, who preferred to remain anonymous, was even more outspoken: "Diabolical to work with," was the verdict. "There were at least two board meetings where things blew up and legal action was threatened by both sides. And it wasn't just us I know of other suppliers who got into similar trouble. The government needs to be a more intelligent customer," the supplier said.

Yet, for all the boardroom bust-ups, private sector involvement is set to be an essential ingredient for e-government in future. The re-engineering of internal processes requires a wide range of expertise, including strategy, communications and technology. Project management skills will also be essential to steer the huge amount of systems integration that will be necessary to achieve success. Central government is likely to rely heavily on third parties to supply much of these ingredients. "Because of the trend towards outsourcing, these kinds of skills can be quite difficult to find in government," says Rebecca George, director of public sector business at IBM.

In any case, the arrival of the Office of E-Government is a good opportunity for government to make a fresh start with its approach to e-government.

As part of our reader survey, we asked respondents this year: "If you could suggest one priority action for the new Office of e-Government, what would it be?"

Many people responded that more work developing and enforcing technology standards across the public sector should be a key focus of effort for the new agency, particularly in relation to websites, user authentication (with one password or ID system across all public services), and land and property based systems. "Each local authority is going its own way and this is neither cost-effective or user-friendly," said one respondent.

Another said the new office must "Provide some realistic examples showing the advantages to the electorate of e-government. Drive e-applications that citizens will really be motivated to use and perhaps offer inducements to do so!"

Others urged the removal of legal barriers to sharing information; the need for England to work more closely with the devolved UK authorities on e-government; and a suggestion that schools and other educational establishments should be seen as key partners in the success of e-government, which would entail greater alignment of policy and actions in this field across central and local government.

A few respondents gave vent to more visceral cries: "More enablement, less interference or assumptions that the civil service is somehow the same as local government," said one. "Leave us alone for a while to get on with it," said another. "Slip 2005 targets by one year," suggested a third optimistic reader.

NEXT YEAR CRITICAL

In the world of local e-government, the next 12 months will be interesting to watch. Although theoretically the target of having all services online by the end of 2005 will remain the dominant policy force, councils now have a new secondary set of targets to aim at. These are a list of "priority outcomes" divided into three tiers: "required" local e-services that must be met by the end of 2005; "good" services that should be in place by April 2006; and "excellent" services that are aspirational (see <http://fastlink.headstar.com/odpm8>). The outcomes are spread across seven priority areas, from raising schools standards to improving transport services.

Although the Office of the Deputy Prime Minister (ODPM) does not like to use the word "target" in connection with this new system, in effect it scraps the catch-all target of moving all services online and replaces it with a stepped programme of change that is guided by central government in an attempt to ensure progress is even across all local authorities, and that councils' priorities can be harmonized with centrally set priorities for government.

This has a clear logic to it for the government. By replacing a blanket 100% target for local e-government services with lesser targets, councils cannot reject the system outright. But because, in the process, central government has managed to impose its own priorities on local government, ministers have come out on top in a sort of bloodless policy coup.

This is not to say councils have not voiced clear concerns about the system. Following publication of a draft set of priority outcomes early in 2004, Glyn Evans, chair of the Information Age Government group of council IT management body Socitm, said the principle of requiring outcomes centrally was over-prescriptive and failed to reflect local priorities.

After some rearrangement of the targets and softening of tone, senior figures at Socitm are satisfied that a new set of outcomes is more achievable, although concerns about central prescription do remain.

The new Socitm President Chris Guest said: "It is good to see the number of 'required' outcomes has reduced significantly, but if we're looking at the 'best practice' outcomes we are talking about a new deadline of April 2006. Is that basically simply setting new targets, dictating how e-government is going to go? If it is going to be prescriptive... it could mean a lot of change to councils' plans and strategies, and it could throw them off-track. That is a worry."

The ODPM minister with responsibility for local e-government, Phil Hope, prefers to see the new set of priority outcomes as a blueprint of what a modern council should look like if it is successful across all the key parts of the e-government agenda. The government is providing new funding to help councils achieve these goals, he told Socitm's spring seminar, and has also worked with local government to develop the series of some 23 national projects for local e-government which are now

churning out free software, advice and guidance across all the most important areas of e-government activity.

How successful the national projects are in helping councils meet the new policy requirements will be another area to watch in the coming months. Hope made it clear that he expects all councils at the very least to familiarize themselves with what products are on offer from the projects, and if they decide not to use them, to have good reasons for each of those decisions.

But with funding for most of the projects already drying up, not all of them are likely to be of lasting use to councils if guidance is not refreshed and software not updated in what is a fast-changing field. The projects are entering a make-or-break phase. Those that attract interest and support from a large number of councils are likely to survive for some years to come, by building sustainable subscription funding models. The others are likely to disappear quietly, leaving dangerous holes behind them in the support system for smaller councils in reaching the new priority outcome targets.

As this process unfolds, councils are likely to experience a higher level of scrutiny from the auditors of their e-government work. The Office of the Deputy Prime Minister is currently in talks with the Audit Commission about adding formal evaluation of e-government work into the commission's Comprehensive Performance Assessment regime for councils, and is supported in this endeavour by the Treasury, the part of government thought by many to have been responsible for the introduction of e-government priority outcomes as well.

So more support, coupled with more pressure to deliver: all in all, it should be an eventful year.