

# PUBLIC SECTOR INNOVATION

**03** THE GOVERNMENT'S  
PROBLEM WITH TRUST

**08** THE DIGITAL TECH THAT  
CAN DEFY AUSTERITY

**10** IS THE PUBLIC SECTOR  
DOING CLOUD BADLY?



[www.sefe-energy.co.uk](http://www.sefe-energy.co.uk)

Part of the SEFE Group

## One of the UK's leading business energy suppliers\*

Supplying gas, electricity and low carbon energy products to organisations across the UK

\*Based on Cornwall Insight's gas volume market share data as of 30 April 2022



# Made faster Made better Made Tech

Made Tech helps the public sector use technology to make a positive impact on society – fast. We think differently about technology, and help organisations do the same.

Whether it's building world-class digital services, transforming legacy technology so it's fit for the future, or harnessing data to enable smarter government, we have the track record to deliver meaningful change at pace.

Don't build the legacy headaches of tomorrow.  
Make technology better today.

**[madetech.com](https://madetech.com)**

## PUBLIC SECTOR INNOVATION

Distributed in  
**THE TIMES**

Published in association with



### Contributors

#### Christine Horton

A long-term contributor to IT publications who specialises in writing about the impact of technology on business. She is also tech editor at B2B agency alan.

#### Andy Jones

An experienced journalist who has written for many national newspapers and glossy titles. He has also produced business-focused material for BBC radio and television.

#### Tamlin Magee

A London-based freelance journalist who has contributed to a wide range of publications. He specialises in writing about technology and culture.

## Raconteur

Campaign manager  
**Ben Keast**

Reports editor  
**Ian Deering**

Deputy reports editor  
**James Sutton**

Editor  
**Sarah Vizard**

Chief sub-editor  
**Neil Cole**

Sub-editor  
**Christina Ryder**

Commercial content editors  
**Laura Bithell**  
**Brittany Golob**

Associate commercial editor  
**Phoebe Borwell**

Head of production  
**Justyna O'Connell**

Design/production assistant  
**Louis Nassé**

Design  
**Kellie Jerrard**  
**Harry Lewis-Irlam**  
**Colm McDermott**  
**Samuele Motta**  
**Sean Wyatt-Livesley**

Illustration  
**Celina Lucey**  
**Bratislav Milenkovic**

Design director  
**Tim Whitlock**

Although this publication is funded through advertising and sponsorship, all editorial is without bias and sponsored features are clearly labelled. For an upcoming schedule, partnership inquiries or feedback, please call +44 (0)20 3877 3800 or email [info@raconteur.net](mailto:info@raconteur.net)

Raconteur is a leading publisher of special-interest content and research. Its publications and articles cover a wide range of topics, including business, finance, sustainability, healthcare, lifestyle and technology. Raconteur special reports are published exclusively in *The Times* and *The Sunday Times* as well as online at [raconteur.net](http://raconteur.net)

The information contained in this publication has been obtained from sources the Proprietors believe to be correct. However, no legal liability can be accepted for any errors. No part of this publication may be reproduced without the prior consent of the Publisher. © Raconteur Media

[@raconteur](https://twitter.com/raconteur) [in raconteur-media](https://www.linkedin.com/company/raconteur-media) [@raconteur.stories](https://www.instagram.com/raconteur.stories)

[raconteur.net/public-sector-innovation-2022](http://raconteur.net/public-sector-innovation-2022)

### TRANSPARENCY

# Has the UK shut the door on its open government pledges?

A crucial decision this month will determine whether this country is relegated to a 'list of shame' by an international transparency group that it co-founded

#### Tamlin Magee

When the UK joined forces with seven other states to establish the Open Government Partnership (OGP) in 2011, none of the members of this anti-corruption coalition would have imagined in their wildest dreams that, just over a decade later, the UK would be facing the real prospect of ejection from it. Yet that is the situation this country has found itself in. Its fate is set to be decided by the end of this year.

The OGP's open government declaration has been endorsed by 70 other nations since the founders – Brazil, Indonesia, Mexico, Norway, the Philippines, South Africa, the US and the UK – signed up to it while gathered for a meeting of the UN General Assembly. The declaration was designed to promote information-sharing and the use of data to aid citizens' participation in public affairs. The signatory governments pledged to manage their affairs more effectively, responsively and accountably. E-government and transparency were to become central to the way that states and citizens could relate to each other. In the UK, this indeed became the case – for a short while.

Westminster was once at the forefront of open e-government. Whatever anyone thought of the Cameron-Clegg administration of 2010-15, their coalition government showed strong support for the initiative, with its Cabinet Office minister, Francis Maude, spearheading a series of reforms designed to improve information transparency. Numerous data sets were opened up for both public scrutiny and commercial use. Transport for London's open data initiative alone may have boosted the capital's economy by £130m a year, according to research by Deloitte. And the UK became one of the first countries to introduce a public beneficial ownership registry, showing who holds controlling stakes in businesses.

In 2016, the nation topped the UN's e-government rankings. But this year it has slumped to 11th place. The contrast couldn't have been starker when the partnership's CEO, Sanjay Pradhan, pointed out in a letter to the Cabinet Office in August that four out of the five transparency commitments in its *National Action Plan for Open Government 2021-2023* (published in January 2022) were flawed. He wrote that there was a dearth of "specific and measurable milestones



that would allow detailed analyses of their potential for results".

The Cabinet Office also drew criticism from civic society groups for diluting or even deleting key elements of the plan at the last minute. Its removal of a section on corruption prompted the resignation of Lord Agnew, who'd been in charge of open government as minister for efficiency and transparency, in protest at the government's "schoolboy errors" in combating fraud when issuing emergency loans to help businesses survive the Covid crisis.

Kevin Keith chairs the UK Open Government Civil Society Network, which coordinates community contributions to the partnership. He says that there have been numerous failings in the period covered by the past three action plans. These have caused a growing sense of frustration and they are why the UK may soon fall into inactive status with the OGP – joining Malawi, Malta and El Salvador on what Pradhan has called "the list of shame".

Keith reports that the mounting discontent has been "exacerbated

by the fact that the UK really used to be at the forefront of transparent government. It is an embarrassing situation, not only because this country is an OGP co-founder, but also because it's a member of the partnership's steering committee."

It was particularly galling for the Open Government Civil Society Network when the action plan featured an algorithmic transparency standard (see panel, next page) that was far less exacting than the initial version that Keith and his colleagues had been shown. That draft had discussed mapping legal requirements for appeals concerning algorithmic decision-making – that is, the use of artificial intelligence to make choices that affect citizens. The eventual plan merely committed to exploring the feasibility of mapping such requirements.

Keith adds that some of the plan's so-called commitments – on open justice, for instance – merely describe what the government is already doing, rather than making any further pledges.

"A national action plan should be ambitious. It shouldn't just cover what the government is doing; it ought to go beyond that," he says. "This is the point of coming together with civil society on these areas. The government has to stretch itself and say: 'Over the next two years we will aim through policy to achieve all these new things.'"

Research conducted by the Office for National Statistics indicates that, while there's a relatively high level of trust among UK citizens for each other (75%), only 35% trust their government, while half have no faith in their elected representatives whatsoever.

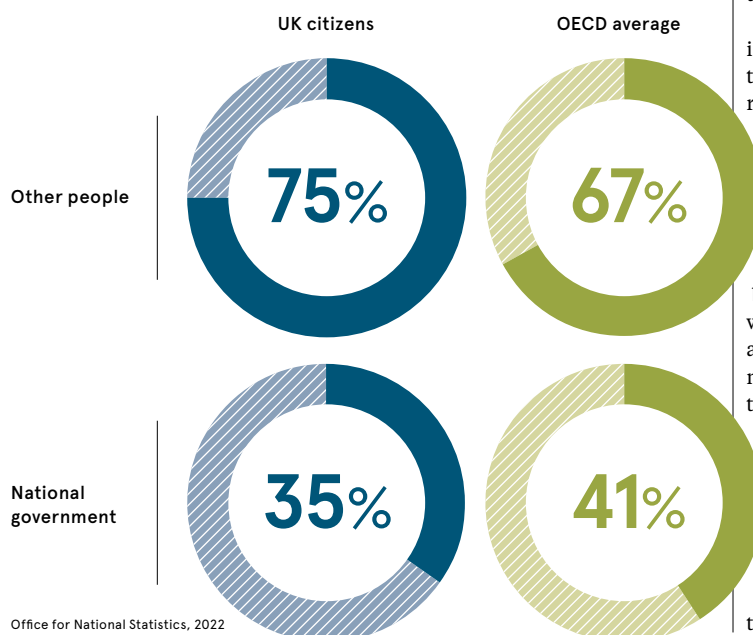
This sentiment has spilled over into a severe lack of confidence in the government to handle data responsibly – the linchpin of any open government initiative – notes Carsten Maple, professor of cyber systems engineering at the University of Warwick.

Maple co-wrote a research report, published in September by French multinational Thales, which revealed that Britons are among the least trusting of all nationalities in their government to safeguard personal data it holds on them from cyber attacks. Only 19% of UK citizens believe that the government is competent in this respect.

Trust is "hard won", Maple observes. "And, for a number of reasons, there is a clear lack of trust in the UK government."

#### A VOTE OF LITTLE CONFIDENCE IN WESTMINSTER

Citizens' reported levels of trust in others and their national government





“Because ministers understand that there’s a lack of trust, they’re not pushing through some of the initiatives that might help, because they’re frightened about being criticised by the *Mail*

One of those reasons may be the unusually high levels of turbulence in Westminster of late. There has been a rotating cast of ministers in charge of open government over the past 18 months, including Agnew, Julia Lopez, Heather Wheeler, Edward Argar and (as this report goes to press, at least) Jeremy Quin. Wider political turmoil, the Covid pandemic, Russia’s war on Ukraine and a looming global recession aside, the key to winning back precious public confidence may be exactly what the government has been accused of neglecting: transparency. Achieving that may well prove tricky, but a good start might be to implement a simple traffic-light-style system to indicate to the public how effectively (or otherwise) various organisations are managing their data. That’s the view of Caroline Carruthers, a data expert, author and consultant who has advised the government. It’s also worth remembering, she adds, that the government is not one great homogeneous entity. It comprises many departments and sub-departments, often with separate systems at various stages of

digitalisation. It’s for this reason that Carruthers defends the latest action plan, describing it as a more realistic set of proposals for implementing transparency across as broad and complex a surface as the government. “Although I agree that the plan has been watered down, I’m hoping that this is because it’s more realistic than it was,” she says. “For me, the areas it is starting to get right are where it’s trying to make things more tangible.” But she adds that the government could do better at communicating how data is being used. “There is something of a downward spiral occurring here: because ministers understand that there’s a lack of trust, they’re not pushing through some of the initiatives that might help, because they’re frightened about being criticised by the *Mail*,” Carruthers says. “Yet one of the reasons for the lack of trust is that things aren’t happening.” This isn’t to say that the UK is a laggard in adopting advanced tech such as big data analytics and machine learning – far from it, in fact. It’s the transparency and trust that are lacking. There’s plenty going on elsewhere in policy-making with respect to data management, according to Dani Dhiman, policy manager at trade association techUK. “The data protection and digital information bill is a really big priority for this government,” she stresses. “It has held 40 stakeholder roundtables on the bill with industry and civil society, while its consultation has received more than 3,000 responses.” But Dhiman adds that there is no plan “specifically targeting opening up public sector data sets” in the government’s *National Data Strategy*, the policy paper it published at the end of 2020. “That is a clear gap,” she says. Keith acknowledges that the UK has done “some good work at an

international level from a policy development perspective, trying to work on standards concerning algorithms and levels of accountability. The difficulty with the commitment in the *National Action Plan for Open Government 2021-2023* was that it was amended.” When asked about the UK’s risk of being deemed inactive by the OGP, the Cabinet Office stated: “We continue to strengthen transparency, accountability, civil participation and innovation across government. We published our fifth action plan in consultation with civil society stakeholders... We are working with the OGP and the UK Open Government Civil Society Network to ensure that the monitoring of our existing commitments and consultations on future ones are successful.” The OGP is set to deliver its verdict this month. As automated decision-making spreads inexorably throughout society, Keith hopes that those in government will treat the need for transparency and trust with the seriousness it warrants. “We are in the foothills of technological change and public service reform,” he says. “This is an age of AI, algorithms, bias and rights associated with the use of data. Trust between the state and its citizens is more important than ever. Open government is therefore more important than ever.” Keith believes that effective transparency is best achieved through “the provision of usable, useful data; information on governance structures to avoid a trust deficit; and plain language to explain algorithms, showing clear routes to recourse. It also calls for greater engagement with citizens from diverse backgrounds, so that they can shape policy in areas they care about, plus increased accountability. The government can provide this by enabling citizens to monitor its procurement and broader activities, while providing an accessible freedom-of-information regime.” ●



John Rensten via iStock

What is the algorithmic transparency standard?

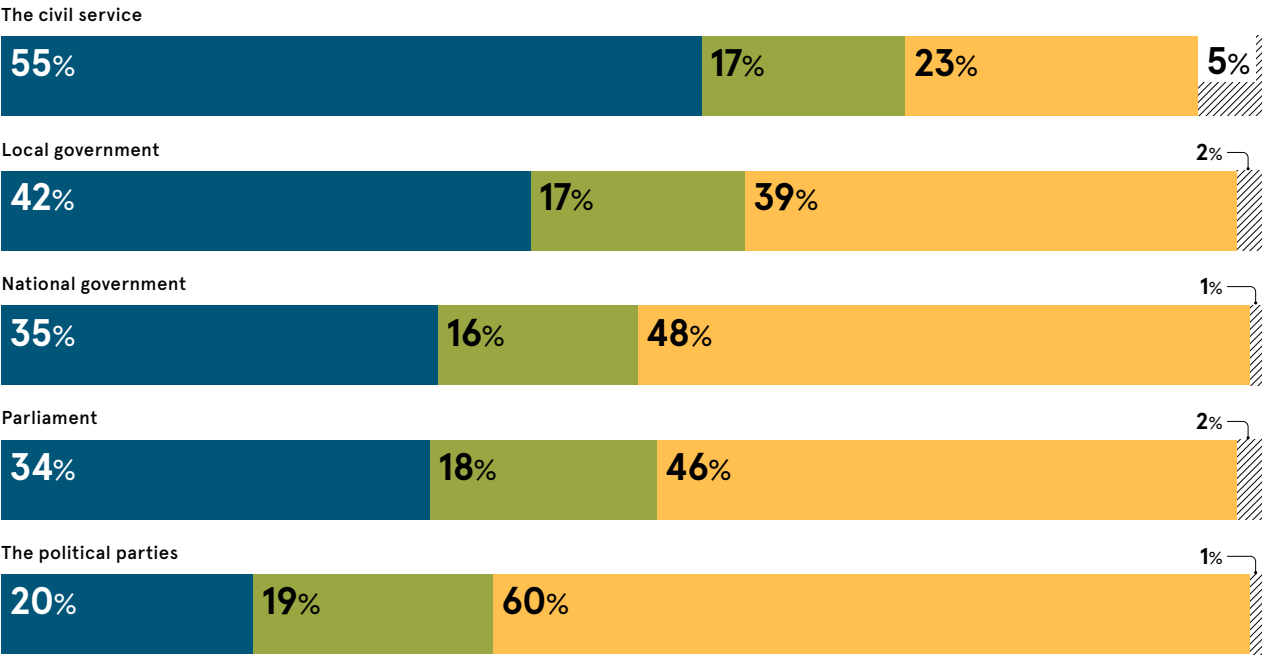
Artificial intelligence increasingly governs our lives, whether we like it – or even know it – or not. And, as cash-strapped government departments seek greater cost-efficiency, AI-driven decision-making seems like a natural fit. But the huge upsurge in its use has prompted serious ethical concerns. That’s hardly surprising – by bringing it into processes such as assessing people’s eligibility for welfare payments, say, machines are becoming more involved in decisions that seriously affect lives. Unesco, which is developing a legal framework for the deployment of AI in public life, has warned that, to a layperson, the technology may seem dense or hard to understand. That is not sustainable, given that AI-guided decisions are becoming ever more impactful. The UK’s *National Action Plan for Open Government 2021-2023* includes a commitment to accountability in the use of AI. It comes in the shape of the algorithmic transparency standard, which had been introduced in 2020 as part of the *National Data Strategy* to give public sector organisations clear guidance in this area. The standard has two elements: one is a list of suggestions that a public body should refer to in order to design its algorithms transparently. This covers matters including the case for using a given tool, the scope of that technology, the data it would be fed and what risk management measures would apply. The second is a template for how it should provide information about its use of algorithmic tools. Peter van der Putten is assistant professor of AI and creative research at Leiden University in the Netherlands and also director of the AI lab for Pegasystems, a US software developer. While he’s heartened that the standard exists, he says that it should be treated as more of an “AI register”.

He explains: “In essence, you should see this as a spreadsheet, where people answer questions about particular applications, their risks and how these are mitigated. It is useful to have an AI register such as this, but it’s only a start when you think about AI transparency, ethics and law-making in general.” Five organisations are known to have applied the standard so far. They are: (setting a good example) the Information Commissioner’s Office; West Midlands Police; Hampshire and Thames Valley Police, for its domestic abuse risk-assessment tool; the Food Standards Agency, for its hygiene rating scheme; and the Department of Health and Social Care, for its Covid clinical risk-assessment algorithm. The standard remains a voluntary measure rather than a legal obligation, though. The Department for Work and Pensions drew understandable criticism from transparency campaign groups such as the Public Law Project in October after it chose not to publish details about automated decision-making for universal credit claimants. Van der Putten suggests that making the standard a statutory requirement would ensure a consistent sector-wide approach to transparency. “When you talk to a lawyer, they will say: ‘Well, ethics is interesting, but only when it’s enshrined in law do organisations really care about it,’” he observes. Van der Putten also notes that there’s plenty in the *National Action Plan for Open Government 2021-2023* about the UK’s international alignment with Unesco and the OECD, but “there aren’t many mentions of the EU, at least at the top level. I can imagine that’s politically sensitive. But Brussels is way ahead on this matter. The EU isn’t just writing white papers about principles and the like – a detailed AI act is being negotiated at a very granular level right now.”

THE GOVERNMENT CREDIBILITY LEAGUE: WHITEHALL LEADS IN A LOW-SCORING AFFAIR

Levels of trust that UK citizens have in government institutions, by institution type

● Trust ● Neutral ● Do not trust ∕ No opinion





# How can the UK's public sector balance the energy trilemma?

Energy security, supply and costs are now a major concern for the public sector. The right partnerships are crucial to solving the issue

**B**etween gas, electricity and low-carbon energy products, the public sector consumes billions of pounds' worth of energy every year. Reducing expenditure on overheads like energy has always been a priority, but the recent energy crisis adds additional pressure on local authorities, hospitals, schools and other organisations to maintain a secure supply of energy, while effectively managing budgets.

At the same time, organisations in all industries are under pressure to hit net-zero targets. As the energy market continues to fluctuate, and with COP27 fresh in mind, solutions are needed for organisations looking to balance the energy trilemma: sourcing energy that is affordable, secure and sustainable. With the right partners they can tackle these issues.

## Understanding the challenge

Achieving pre-pandemic levels of service is high on the public sector's agenda. Keeping the lights on, heat running and equipment powered is key to delivering those objectives. Yet this year the UK will spend £150bn more on energy than it did in the years before the pandemic. Sourcing energy supplies that are readily available, with

predictable costs, while also reducing carbon emissions is a difficult balancing act.

"It's a volatile time for the energy markets, which poses big challenges for energy decision-makers. For large organisations, energy has always been a priority, but the events of the past year have nudged it further up the list. When choosing a supplier, affordability will always be high on the agenda, but we're now seeing more organisations taking a holistic look at their energy supply – and supplier. It's not just about cost anymore, it's about transparency, convenience, service, sustainability and security," explains Dan Sullivan, head of UK sales at SEFE Energy, one of Britain's leading business energy suppliers, providing nearly a fifth of the gas supplied to organisations in the UK.

"Security and sustainability are the two most pressing energy issues for organisations right now. The recent energy shortage has made energy self-sufficiency a priority in Europe. In the long term, that means looking towards more sustainable options for energy that can be sourced locally. In fact, that's a big part of our story at SEFE Energy."

Formerly known as Gazprom Energy, the Manchester-based company recently renamed to become SEFE Energy – part of the SEFE Group, led by SEFE Securing Energy for Europe (SEFE) in Berlin. After seven months of German management under the trusteeship of the country's energy regulator (Bundesnetzagentur), the Federal Government of Germany became sole owner of the previously Russian group in November 2022. As its name suggests, SEFE Group's mission under its new owner is to secure, strengthen and stabilise energy supplies across

**The recent energy shortage has made energy self-sufficiency a priority in Europe. In the long term, that means looking towards more sustainable options for energy that can be sourced locally**

Europe, while steering a path towards a sustainable energy future.

## Building on a strong UK heritage

SEFE Energy is not a new player in the UK energy market. Starting out 17 years ago as an independent gas supplier for Northwest England, the energy retailer now supplies over 50,000 organisations across the UK, France and Netherlands. The company attributes its success to the strength and experience of its people, as well as the long-standing relationships it's built with customers across all sectors – large manufacturers to local councils and everything in between.

"With the backing of the German government, we're in a strong position to help our customers meet their short- and long-term energy needs. For many, the immediate goal is a reliable and stable supply of energy, so businesses can continue to deliver products and services to the people that depend on them – whether that's local councils powering streetlights, universities heating classrooms or food retailers keeping shelves stocked with essential products," states Sullivan.

## Addressing the energy trilemma requires innovation – and partnerships

When it comes to energy, innovation can take many forms – whether that's investment in renewable energies, or simpler solutions, such as better access to consumption data. Energy suppliers are uniquely placed to work as partners with organisations and governments to drive those innovations forward.

Innovation will be key for the public sector as they address the energy trilemma and many organisations have already taken significant steps forward. Consolidated e-billing across multiple sites helps organisations view and manage costs. Understanding granular usage in real time can help organisations see where and when energy is being wasted.

Smart meters and automatic meter reading devices (AMRs) that upload

**“When choosing a supplier, affordability will always be high on the agenda, but we're now seeing more organisations taking a holistic look at their energy supply – and supplier**

consumption data can also help. Smart devices can assist in identifying faults and failures; detected early, this can assist in the proficient use of energy. Organisations looking to go further can seek out energy audits, and those with solar panels can enter into power purchase agreements so they can sell unused electricity to the grid.

"Right now, energy efficiency is a huge priority. Every switch turned off, every thermostat turned down will save costs. Managing energy properly is crucial. Yet each consumer, even in the public sector, is unique. At SEFE Energy, we understand that education is key. We take the time to understand our customers' needs so we can give them the information they need to make the best decisions for their energy supply," says Sullivan.

The energy transition in the UK is likely to involve a shift away from natural gas as the race to net zero accelerates. Britain is a global leader in renewables. Last year nearly 40% of electricity came from offshore wind, solar and other sources. Since 2010, renewable energy production has grown faster than in any other large country in Europe. Many in the energy sector are now looking at hydrogen as a renewable energy source, including SEFE Group.

"As part of SEFE Group, we're focused on defining what secure energy looks like for the future. Organisations will need a variety of tools to tackle the energy trilemma and transition to energy supplies that reduce emissions. It helps that our Group is involved in everything from energy distribution to trading and storage. We already offer renewable gas and electricity, but across the Group we have the breadth and experience to bring more sustainable sources of energy to the market in future years. This is what we're focused on – the future is bright," summarises Sullivan.

**What does secure energy for Europe and the UK look like?**  
sefe-energy.co.uk





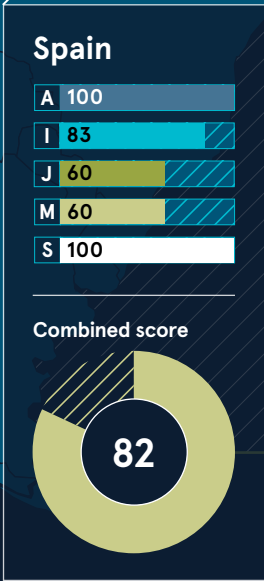
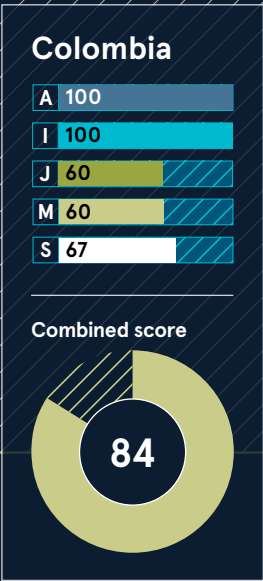
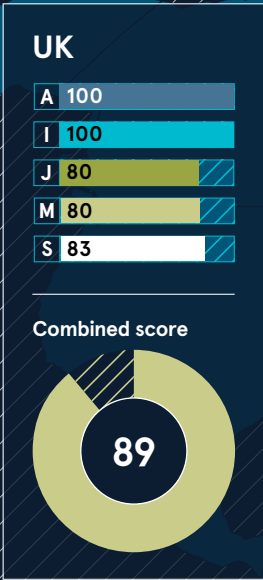
# NATIONAL DIGITAL STRATEGIES

The government has been aggressively pursuing digitalisation ever since the UK's departure from the EU. Seeking to create more opportunities for innovation and growth, Westminster has announced strategies on everything from AI and cloud infrastructure to digital skills and data regulation. The benefits of digital transformation were laid out this year in its *UK Digital Strategy* policy paper. But how ready is the public sector for digital integration – and for what stands in the way of further digitalisation?

## THE UK HAS THE SECOND-MOST COMPREHENSIVE DIGITAL STRATEGY IN THE OECD

Highest-ranked OECD countries on the comprehensiveness of their digital strategies (score out of 100) OECD, 2022

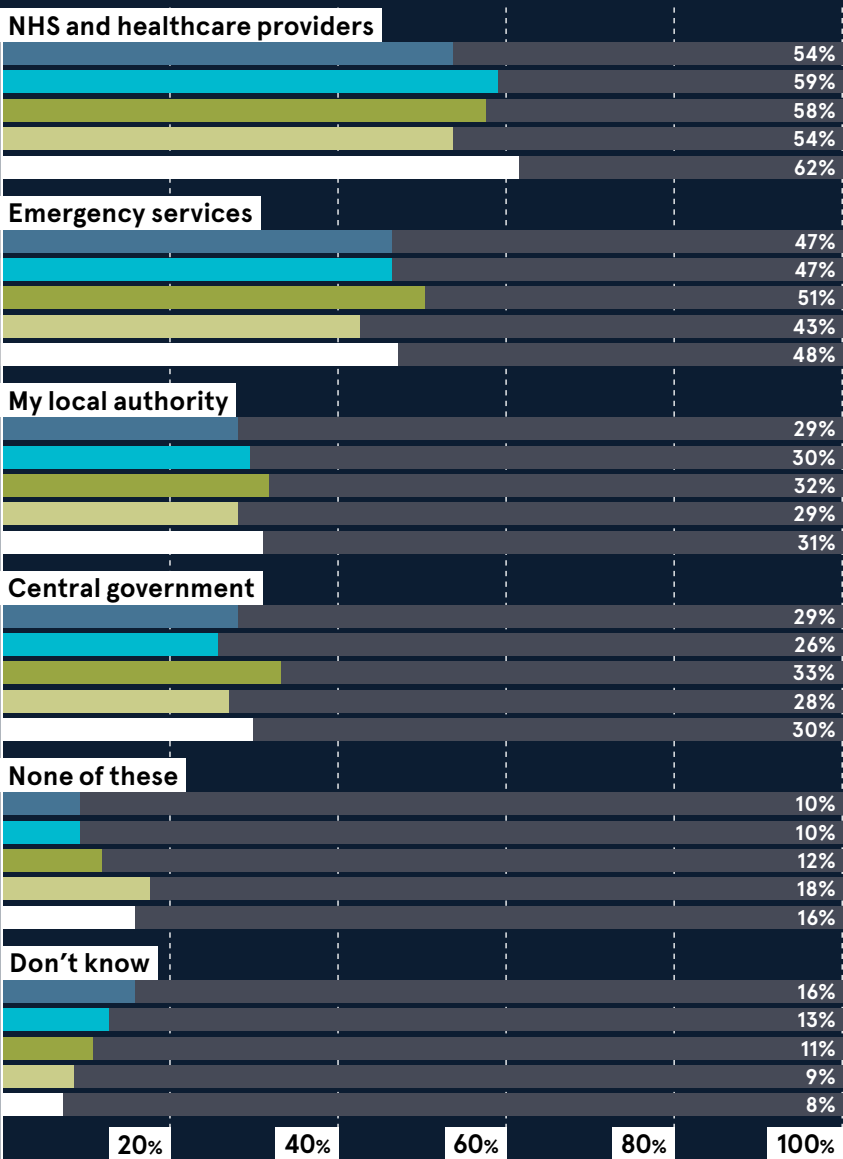
- KEY
- Access
  - Innovation
  - Jobs
  - Market opportunities
  - Society



## TRUST IN THE UK PUBLIC SECTOR'S DATA MANAGEMENT

Responses, by age group, to the question: "Which of the following would you trust to use your personal data ethically?" Open Data Institute, 2019

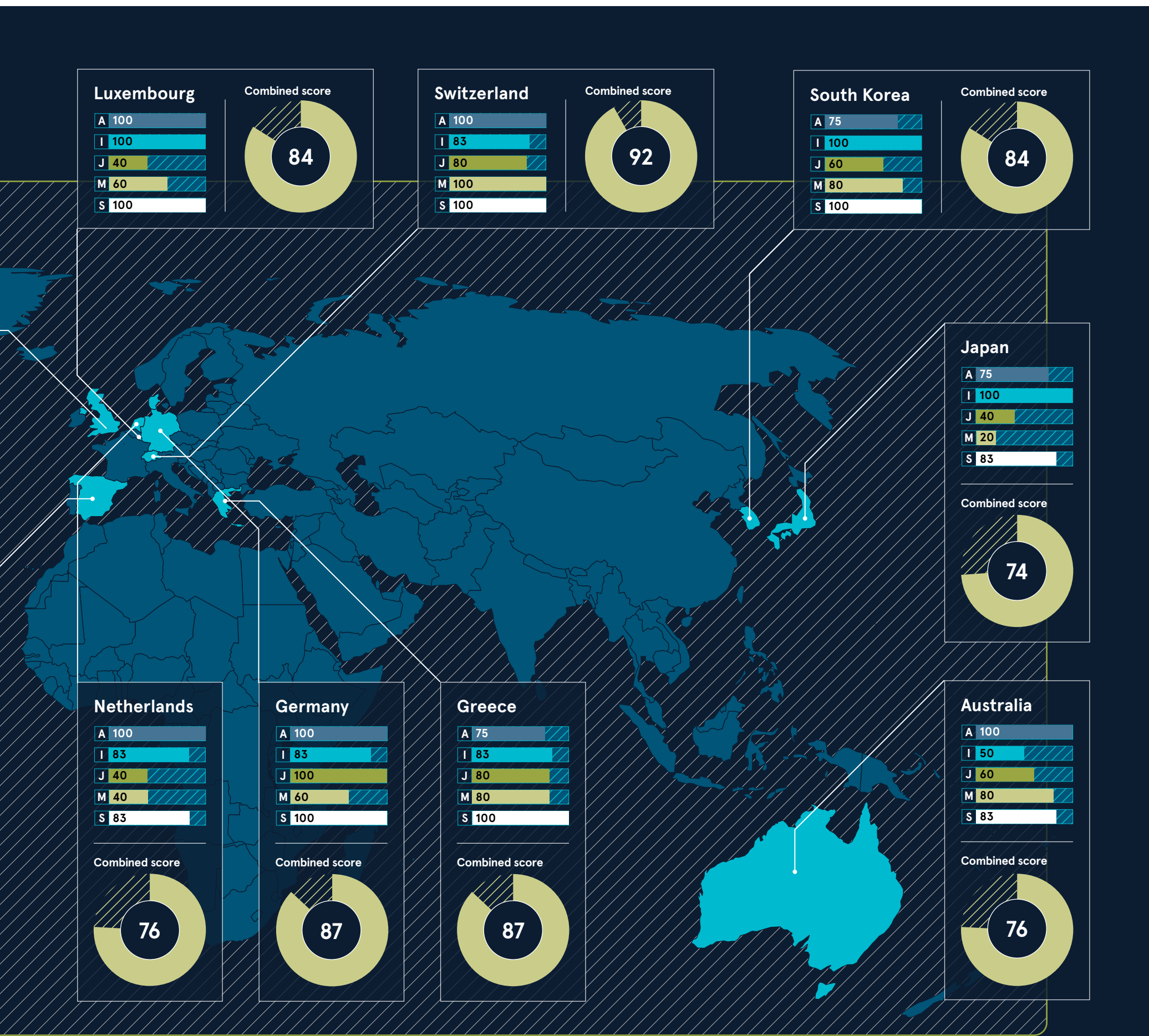
- 18-24 25-34 35-44 45-54 55+



The government estimates that by 2025 its new *Digital Strategy* could result in...

£41.5bn added to the UK economy

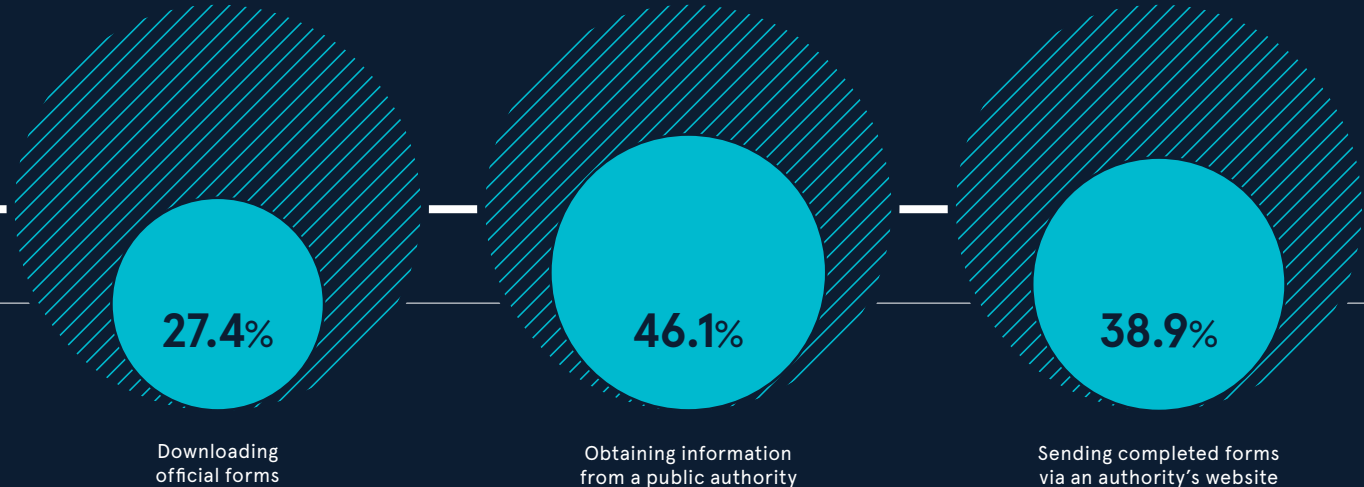
15,000 new "high-quality industry placements" for T-level students



## DIGITAL INTERACTIONS WITH PUBLIC SERVICES

Proportion of UK adults interacting with the government online for selected purposes in 2020-21

OECD, 2021





## TECHNOLOGY

# How digitalisation can help services in their next bout with austerity

Radical IT upgrades have the potential to save costs and improve delivery, but providers would be unrealistic to expect a rapid return on investment in all cases

Christine Horton

**F**acing the prospect of huge spending cuts over the coming year, organisations throughout the public sector are under huge pressure to find new ways to deliver their services as cost-efficiently as possible without compromising on quality.

Adrian Fieldhouse is managing director, government and transport sector, at French IT consultancy Sopra Steria. He believes that digital transformation is the way for

public bodies to maintain their services as austerity bites hard again.

But going digital “isn’t just about saving money; it’s about doing more with the same amount”, Fieldhouse argues. “Digital is not ubiquitous, but it is great for automating repeatable and predictable processes, empowering citizens, joining the dots between services and ensuring that skilled public servants can devote their time to meeting low-volume, high-complexity needs.”

There are already digital success stories to be found across the public sector. For instance, through its joint venture with the Department of Health and Social Care, Sopra Steria works with numerous NHS organisations with the goal of delivering more efficient back-office services. NHS Shared Business Services claims to have found them £1bn in cost savings through economies of scale since the venture was established back in 2005.

“In recent years, this has included significant investment in robotic process automation, focusing particularly on mundane and repetitious financial processes. Crucially, it’s freed people up to do more valuable work,” says Fieldhouse, who adds that this factor has been key to the effectiveness of the NHS’s response to the Covid crisis. For instance, such automation ensured that NHS Shared Business Services could “quickly facilitate record numbers of payments for vital goods and services, while ensuring that the many new and returning healthcare workers were paid the right salaries on time”.

Digital tech has also improved access to essential services for some of society’s most vulnerable members. Sopra Steria has worked with the Scottish government since 2017 to develop an online platform to receive and process applications for disability payments – the first of its kind in the UK.

Digitally transformed services can reduce the burden on hard-pressed public servants and improve their productivity. So says Jonathan Whelan, UK public sector leader at Celonis. The company specialises in a branch of data science known as process mining, which is designed to help organisations monitor and improve their operations. This technology is being used in Whitehall to help

“Going digital isn’t just about saving money; it’s about doing more with the same amount

government departments achieve their digital goals and save money at the same time.

“By extracting knowledge from the event logs that are readily available in existing systems and analysing that data, process mining can help the government to understand how various departments are running, identify any bottlenecks and fix them,” Whelan says. “This technology can show exactly where public bodies could be achieving cost savings and where they should be deploying more resources.”

In the Netherlands, the government has applied process mining to its systems for managing refugees’ claims for asylum and benefits. This exercise has accelerated and simplified the procedure that enables applicants to settle and gain access to essential services, making it more cost-efficient too.

## The Hunt for austerity

**£55bn**

The value of tax increases and public spending cuts announced in Jeremy Hunt’s 2022 autumn statement

The New York Times, 2022

**£27bn**

The expected yearly savings by 2028 if day-to-day public spending is cut after 2025, as per the autumn statement

FT, 2022



**▼7%**

The predicted fall in UK living standards to the end of 2024

Office for Budget Responsibility, 2022

**▲11.1%**

The rise in inflation (CPI) in the 12 months to October 2022

Office for National Statistics, 2022





How data analytics has benefited NHS patients in south-east England

The pandemic has cast a spotlight on problems affecting the NHS’s ability to analyse the data at its disposal and make timely, accurate resource-allocation choices based on that information. When Maidstone and Tunbridge Wells NHS Trust realised that its legacy tech wasn’t up to the job, it and several other local healthcare bodies sought to improve their business intelligence (BI) systems.

“Managing hospital resources was becoming increasingly difficult, as much of the necessary data-wrangling was a manual process,” recalls James Cherry, CTO at Northdoor, the consultancy that helped the trust’s migration from manual, spreadsheet-based data analysis to Microsoft’s Power BI suite. “It meant that, by the time the data had been collected from several sources, analysed and released to decision-makers, it was usually out of date. This digital transformation has made a huge difference to the trust’s ability to deliver front-line services.”

There has since been extensive collaboration among several NHS organisations in the area. Because having timelier data has also given the trust an accurate view of available resources in neighbouring trusts, patients who might otherwise be waiting for months for treatment may have the option of receiving it sooner at an alternative hospital a reasonable distance away.

“This has allowed for NHS treatment backlogs in the area to be cleared more quickly than they otherwise would have been,” Cherry says. “It’s also helping to ensure that services in trusts and departments whose waiting lists aren’t as long are being fully utilised.”

Although there have been several fruitful digitalisation projects in the UK public sector over recent months, there are plenty of hurdles yet to overcome – and lessons to learn from less successful cases.

One such obstacle is that public bodies’ tech infrastructure tends to be relatively dated and overly complex, according to Satpal Biant, head of SAP UK & Ireland’s public sector business. This factor, he says, has hampered the sector’s ability to adapt to problems such as the disruption to global supply chains and the cost-of-living crisis.

Biant adds that nearly all public sector organisations are still working to a “static operating structure and maintaining an old mindset to technology implementation, with IT departments working in silos. This impedes cross-functional collaboration and hinders teams from combining forces to achieve positive outcomes for the citizens who rely on their services.”

He reports that SAP recently worked with Transport for London (TfL) to implement new HR management systems. It took 13 weeks for TfL to fully automate its performance and career management processes, significantly improving the efficiency of several repetitive tasks that used to be manual.

“This has led to strong improvements in employee satisfaction, with 77% of users of the new platform saying that it’s intuitive and helpful,” Biant says. “This has in turn reduced the cost of staff turnover, enabling the organisation to provide a more cost-effective service to users of its services.”

It has also given TfL full access to on-demand data, increasing the speed of reporting to the organisation’s commissioner. “As members of the executive committee have put their objectives into the system and made them public, everyone in the organisation has visibility,” says Fiona Brunskill, director of people and cultural change at TfL. This has enabled the organisation to deal with the growing demand

for its services, without compromising on quality.

Fieldhouse emphasises that very few digital transformation programmes are likely to produce “an instant pay cheque. While organisations might see small savings in the interim, the longer-term return on investment they achieve will be much more crucial.”

He adds that the payback periods of various projects are likely to vary widely. “There is no one-size-fits-all approach when it comes to timelines around cost savings. In fact, there will be huge inconsistencies depending on the systems being installed and the objectives of each implementation. It is important that organisations are confident that the actions they’re taking will benefit both them and the citizens they serve over the long run.”

Meanwhile, Whelan maintains that any expenditure on technology should be closely aligned to the return on investment (ROI) and the objectives the implementation is aiming at, whether those are related to meeting regulatory requirements or improving service quality, cost efficiency or productivity.

“Additionally, in an age of austerity, departments ought to link payments to results and value generation to incentivise a partnership approach,” he says. “Overall, the public sector is going through a huge transformation at pace, both centrally and within departments. At the heart of it all, if people don’t

understand the processes involved and what needs fixing, they aren’t going to achieve ROI, no matter what kind of upfront costs they are paying.”

Nonetheless, with the right support, organisations can start removing inefficiencies and saving money in short order, Whelan says.

The public sector is facing a challenging time of political and global instability. He notes that, while the political mandate that public sector organisations are operating to has been changing rapidly over the past few months, the business of government goes on.

“Departments can’t just hold fire. They still have to provide services; attract and retain employees; and deliver value for money, all while navigating ‘new leadership environments,’” Whelan says. “As departments evolve to the changing landscape and challenges, having the right technology in place can help to provide stability and build trust, by democratising data and enabling quicker evidence-based decision-making.”

Above all else, any digital transformation programme focused on technology and not citizens is likely to struggle.

“Ultimately, digital transformation is about empowering citizens and civil servants alike, so not taking the human factor into account when embarking on a project can lead to failure,” Fieldhouse says. “Digital tech has to be applied within a strong ethical setting that is inclusive and accessible for all those interacting with it.”

He continues: “After a period of disruption, the government has to be equipped to tackle a range of complex issues while maintaining an understanding of how the solutions are likely to affect people’s lives. Departments across government have already ramped up their capability in this area and have plans to do more. Continuing to digitalise the public sector with people at the heart of any strategy is essential for success.” ●

“If people don’t understand the processes involved and what needs fixing, they aren’t going to achieve ROI

# Hey impostor

Ever feel like you’re pretending?

Like you’re always faking it without ever making it? That’s normal. Today’s business world is so complex that the more you grow in your career, the less you know about your job. Raconteur clarifies the complexities of modern business with stories that help you make more informed decisions and build more successful companies.

So, stop pretending.  
Live up to your true potential.

Become a better leader at Raconteur.net

Raconteur  
Stories that connect modern business.

## PERFORMANCE

# Patchy cover: the sector's two-speed cloud uptake

While some public bodies are struggling with outdated IT, others have embraced the latest tech to improve their services and make taxpayers' money go further

Andy Jones

The results of a recent study published in *The British Medical Journal* indicate that NHS staff are losing as many as four working hours every week to inefficient IT systems. If clinicians working on crisis-hit hospital wards can spare the time to read the research, perhaps as they wait for their computers to boot up, they may well nod in sad recognition.

The report, written by researchers from Imperial College London and University College London, came out less than four months after the entire IT system at Guy's and St Thomas' NHS Foundation Trust in London went down for 10 days as a result of July's heatwave.

The authors argued that doctors and nurses should not "tolerate problems with IT infrastructure as

the norm" and accused crumbling IT services of "bringing a halt to the everyday business of healthcare".

They added that "poorly functioning IT systems are a clear and present threat to patient safety. They also limit the potential for future transformative investment in healthcare. Urgent improvement is an NHS priority."

This shows how the public sector can lag when it comes to adopting new tech. The situation is serious enough that the government published *The One Government Cloud Strategy* in 2021, a guide to help more public sector organisations take advantage of cloud services.

The sector has struggled in particular with safeguarding its IT systems, notes Jamie Akhtar, co-founder and CEO of data security specialist CyberSmart.

"You need only look at the recent high-profile breaches affecting local authorities: Copeland, Gloucester Hackney and Redcar. The sector has become a key target for cybercriminals," he says. "Too often, public sector bodies treat cybersecurity as an afterthought at best and an unnecessary expense at worst."

In 2013, the government introduced its so-called cloud-first policy for all technology decisions to help the UK compete internationally. This paid dividends: many of the services that were launched almost overnight at the start of the Covid crisis to provide health or financial support were testament to the public sector's ability to use the cloud well and exploit the agility it offers.

“

**Too often, public sector bodies treat cybersecurity as an afterthought at best and an unnecessary expense at worst**

Space savers: the Home Office's immigration technology department has achieved significant cost reductions on cloud services by purchasing spare resources at discounted rates

Some public sector organisations are even ahead of the private sector when it comes to tech adoption, according to Duncan Gillingwater, director of Dynatrace's public sector business in the UK and Ireland.

"The Home Office is a good example," he says. "It has talked publicly about using cloud-native services such as Kubernetes, Docker and even infrastructure as code to enable agile development practices. Back in 2015, it established its Environment Build Support and Administration platform, which runs on Amazon Web Services and enables technical teams to start innovation projects rapidly."

The public sector should keep an open mind on how the cloud can solve long-term problems. For example, NHS hospitals will need up to 39,000 more beds by 2030 to maintain standard levels of care. The cloud-based Doccla system was designed to address this challenge, with the objective of reducing bed-blocking by enabling hospital patients to recover at home while being monitored remotely by NHS staff. About 2,500 patients have been treated successfully this way in trials held in Northamptonshire, Cambridgeshire and Hertfordshire.

Doccla was founded in 2019 by Martin Ratz. He had worked in healthcare for 15 years, but it wasn't until he suffered a heart attack in 2017 that he came up with the idea.

"One insight I gained at the hospital was that you are monitored in a very outdated way," Ratz says. "Once you leave, you have no protection at all, even though there are great technological tools available. I thought that, if we did this better,

we could minimise readmissions and better the patient experience."

The cloud can also help to build public services that taxpayers want. PSI is a cloud-based platform that can listen to citizens by converting voice messages instantly into measurable data. Its developers are helping the Metropolitan Police to build relationships with London's Black communities by seeking their input on policing tactics in a friction-free way, rather than relying on focus groups or town-hall meetings.

PSi's co-founder and chief scientist is Niccolo Pescetelli. He thinks that the public sector can, by being discerning, use the cloud to cut costs and refine processes.

"Most cloud services operate a pay-for-what-you-use policy, which helps to cut costs a lot," Pescetelli says. What's more, using the cloud eases "integration with third-party services. This is providing PSI with a seamless workflow – we use Agora for all voice communication and the recordings are saved directly on the Amazon Simple Storage Service. From there, AWS Transcribe takes the files and generates transcriptions in minutes."

The Home Office has managed to cut its cloud costs significantly by making a number of adjustments. For instance, some cloud providers offer unused resources at discounted rates. Using this spare capacity has enabled the Home Office's immigration technology department to pay about 80% less than the standard fee for such features.

In many cases, public bodies have struggled to move to the cloud because they have merely "lifted and shifted" their on-premises applications, says Gillingwater. As a result, they end up making inefficient use of resources that can even cost more to run in the cloud, leading to complaints that the transition hasn't lived up to its promises.

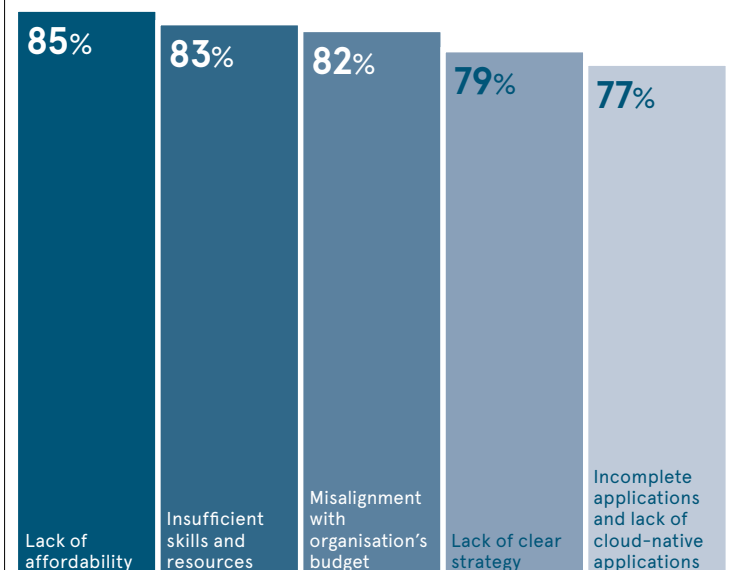
"The problem is that, when you take an old application and move it to the cloud, you move its problems with it," he says. "A lot of the time, legacy applications perform even worse in the cloud because they're not built in the right way." ●



Jason Alden/Bloomberg via Getty Images

## BARRIERS TO CLOUD ADOPTION IN THE PUBLIC SECTOR

Percentage of public sector IT chiefs who believe the following factors have impeded their organisation's cloud adoption and digital transformation





# How can the public sector overcome obstacles to digital transformation?

Greater digital literacy – especially at leadership level – and more collaboration and knowledge sharing, even with private sector partners, are all vital, according to a roundtable of experts

**T**hose seeking an example of the ramifications of a public sector organisation unable to evolve quickly enough need to look no further than the Legal Aid Agency, part of the Ministry of Justice. On 10 October 2022, when 57% of criminal barristers voted to end their long-running strike action after the government offered a 15% pay rise, Esther O'Sullivan sighed with relief.

The Legal Aid Agency's head of digital understood the lawyers' frustrations. "The Criminal Bar Association (CBA) went on strike because it wanted more money, not unreasonably," she says. "But one of the reasons they were unhappy was the length of time it would take to make the changes to existing cases already going through. All of them are on legacy technologies – some are 20 years old."

O'Sullivan explains that given the complexity of the cases and being burdened by old systems and ways of working, upgrading to digital processes would require going through "millions of lines of code" to make the necessary changes. "We estimate that will take two years," she continues. "To modernise the system, I need more people with different [digital] skills. So it's a vicious circle until something breaks. In fact, the CBA has done me a favour because more people now realise we need to accelerate the upgrading of these legacy systems."

Vaughan Lewis, regional medical director and chief clinical information officer for NHS England in the South East, sympathises. "There remain material challenges to the digitalisation of healthcare," he says. "Despite strong progress, we are still some years behind the commercial sector."

The response to the pandemic resulted in a step change, for example with remote patient monitoring, but some clinicians remain understandably cautious about fully embracing digital technologies, says Lewis. Cross-sector data sharing needs to be addressed to enable progress and innovation, he adds.

## Getting training and data sharing right

"There is a very reasonable assumption by patients that their GP records are available to clinicians in the emergency departments, and that these records 'follow them' to other parts of the hospital," Lewis says. However, this currently doesn't happen consistently and duplicated paper records are still in widespread use. "Collecting and aligning data across organisations

and information governance are priority issues."

This point chimes with O'Sullivan. "If we want to interact and use data inter-operably, we need a standard data schema," she says. "I'm trying to share data across government departments, and it's increasingly difficult. At the moment, we get charged a lot of money for data by other government departments, even though we are trying to deliver the same projects. It's ridiculous. Standardising data and making it discoverable would be amazing, but it is a massive job requiring leadership and vision."

Lewis lists other challenges for the digital agenda. "Infrastructure in an organisation as big as the NHS, one of the largest employers in the world, is important to get right," he says. "We mustn't underestimate the challenge of furnishing all NHS staff [with digital tools] and getting this right will require training, change management and has significant financial implications."

Karl Hoods, chief digital and information officer at the Department for Business, Energy and Industrial Strategy (BEIS), is more upbeat, having recently completed a five-year infrastructure shift to the cloud. "We have no legacy data centres and very little by way of legacy applications," he says. In his role, Hoods delivers digital and technology services to 12,500 users across eight organisations. "Our biggest challenge is managing demand." To ease the load, he plans to develop a self-service platform that enables users to access data and frameworks to spur innovation.

And despite being formed in 1854, the Met Office is also making impressive progress on its digital transformation journey, according to chief technology officer Richard Bevan. Fittingly, the national weather service aims to be fully in the cloud and is on its way towards achieving this goal.

Seven years ago, the Met Office purchased one of the world's top 20 supercomputers. This has significantly helped modernisation. "It gives us a massive boost in capacity and allows us to bring forward some exciting science and improvements in our weather and climate forecasting capabilities," Bevan says.

## Bridging the skills gap

However, Bevan acknowledges that a lack of talent is generally halting progress across the public sector. Indeed, Lloyds Bank's Essential Digital Skills Report 2021 suggested only 58% of



public sector employees have the requisite digital skills.

The Met Office leans on technology partners to bridge that skills gap. And while automation and low-code and no-code solutions can compensate for talent shortcomings, Bevan raises concerns that their overuse could lead to issues down the line. "There is a massive opportunity [with digital innovation], and that comes with digital literacy and skills," he says. "But equally, there's the care and attention we need to wrap around it to ensure the right level of governance."

O'Sullivan argues a lack of data literacy at the highest level, coupled with an unwillingness to invite those with digital know-how to the table, is causing problems. "You don't get digital professionals at some important decision-making points," she says. "When asking 'what's the problem we are trying to solve?', you need to understand how digital tools can deliver a solution. I strongly feel that we don't

let digital people have an equal view to some of the other functions, and opportunities are being missed."

Similarly, Hoods urges other public sector leaders to focus on achievable goals and break down the long-term vision for technology programmes. "We've got to overcome the innate inertia inside organisations. Yes, the tech is sometimes tricky, but the problem is people. So often, leaders set a North Star [for digital transformation] but try and solve it in one go. The pace of changing technology, let alone the challenges of attracting and retaining digital staff, means that you're going to need to change course."

## Encouraging greater inter-sector collaboration

Hoods also has a role as the senior responsible owner (SRO) for the cross-government technology interoperability programme. Wearing his SRO hat, he encourages public sector organisations to share knowledge and challenges. This will help produce data standards and blueprints to improve inter-sector collaboration.

"Eventually, we want to get to the stage where we're sharing applications and services," he says. Hoods is working on a three-layer framework for technology delivery and sharing across the public sector. Layer one is a common approach and set of standards for utility services (such as email and documentation). Layer two is an approach for common services (such

as grants and case management), and the final layer is bespoke for services unique to the particular organisation or sub-sector.

Kam Patel, managing director public sector at ServiceNow, a global firm that offers a cloud-based platform and solutions to help companies deliver and manage digital workflows, applauds this approach. There are quick, small-scale wins to be scored, for instance, by simplifying processes through automation. "We're working with an NHS trust where recruitment onboarding time is 79 days from the job offer," he says. "We're reducing that to less than four days by decreasing the 71-step process to 18 steps."

Finally, Patel stresses the importance of trusted tech partners accelerating public sector innovation. "You can't solve these things individually, you have to leverage private sector companies investing in research and development, and tech companies with a global reach and expert knowledge," he says. "Technology is an enabler, but people and processes are the keys to progress. Hopefully, we can solve these big challenges together."



**Technology is an enabler, but people and processes are the keys to progress**

To find out more, visit [your.servicenow.com/uk-publicsector](https://your.servicenow.com/uk-publicsector)

**servicenow**





# Access the Future of Pathology from Anywhere

Your Guiding Hand in Digital Pathology and AI Implementation

**Proven marked reductions in cancer diagnostic waiting times**

Cellular Pathology

Digital Pathology and AI

Streamlined, Modular Workflow

MDMs, Second Opinions and Audit Support



[sourcebioscience.com](https://sourcebioscience.com)  
[enquiries@sourcebioscience.com](mailto:enquiries@sourcebioscience.com)

