

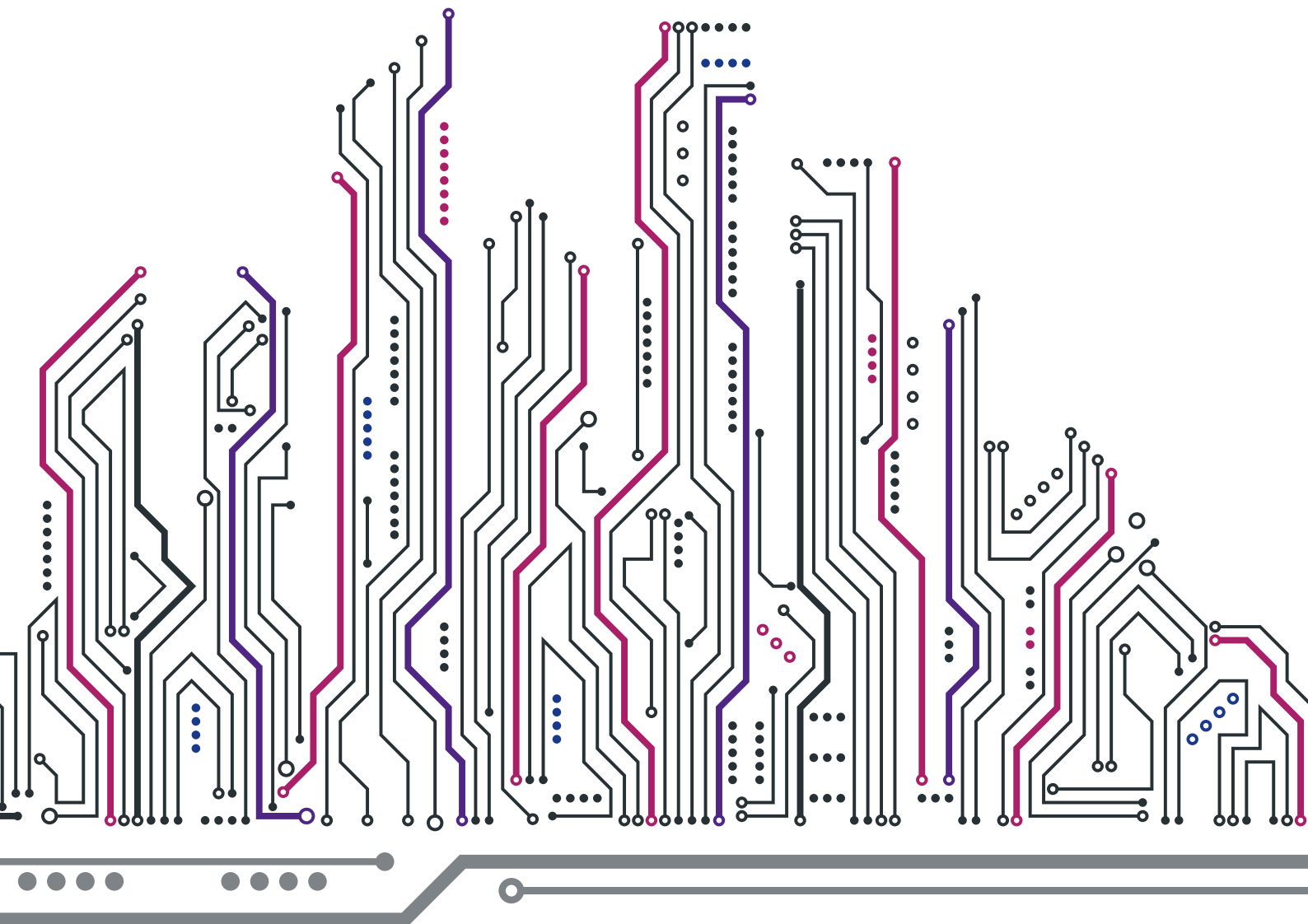


Centre for the New Midlands



Putting digital at the heart of public sector reform

Roundtable report



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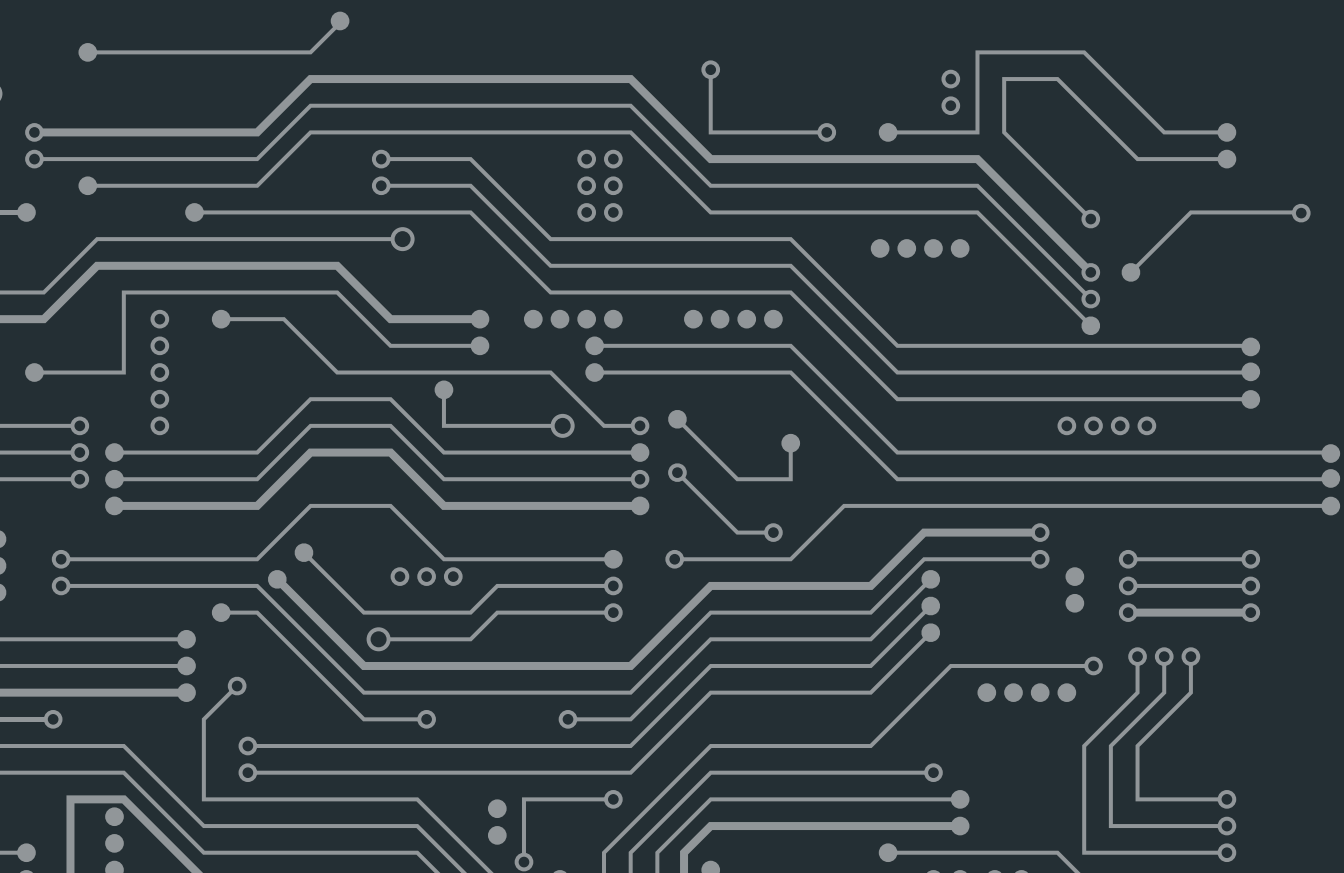
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Foreword

Having been in the tech industry for almost 40 years, I've seen a LOT of change. Back in 1984, the first IBM PC with its 4.77MHz processor and dual 5 ¼ inch floppy disk drives was considered state of the art! No smart phones, no internet as we know it today, no social media, no online, instant purchasing for everyone.

What a journey to 2024. And we're still learning, still innovating, still struggling, still benefiting and still wasting time. There's a huge divide between different industries and different types of business. We have legacy systems still running – systems built using Fortran and COBOL – languages from the 1950's. We have born in the cloud applications like Xero enabling small businesses to be agile and keep their finances up to date. We have businesses who don't want to spend the amount of money they need in order to safeguard their staff, data and IP plus everything in between with cybercrime costing the world a reported \$8 trillion in 2023.

Investment in AI is huge, bringing with it more possibilities, opportunities but also more costs and risk. At what point do business owners start to say 'no' to ever increasing operating expenditure? How do they know what to invest in and how that investment will positively influence their business going forward when digital transformation can mean so many different things to different people?

Lack of knowledge hampers good use of technology across the board, and differences in understanding and approach to risk make it a confusing landscape of regulation and data requirements. Technology does not understand geographic boundaries where countries and laws do, creating a perfect environment for cyber criminals to thrive, and also creating fear, uncertainty and doubt in the minds of business owners when it comes to leveraging the benefits of technology. Finding ways to overcome this and to truly digitally transform businesses is going to take time, effort, money, collaboration and understanding.

Whilst many challenges are similar between the private and public-sectors, public-sector systems tend to be larger in scope and more complex, with higher risk of cyber attack and public scrutiny. The challenges of digital transformation in this arena can hamper efforts to adopt digital transformation strategies and implementation. Often dependent on disparate legacy systems, challenges of budget, public accountability, lack of skills, long timescales, data privacy, cyber risk and bureaucracy can either lead to projects not being undertaken, going hugely over budget or publicly failing. Moving forward we must find ways to overcome these issues to provide efficient, secure and seamless service delivery.



Tracy Pound

Managing Director, Maximity Limited
Digital Advisory Board, Centre for the New Midlands

Roundtable generously supported by Jadu



Background

Local Government resources are increasingly tight, but the demand for efficiencies and effective use of technology has never been greater. The roundtable brought together 20 sector leaders to discuss key issues facing digital transformation within local government.

The overall aim was to make a business case to local authorities and find common ground on what the 'asks' to political leaders must be in supporting transformation across the region. The question framing the overall discussion was: How do we move the perception of 'digital' from being an 'add-on' to a fundamentally critical component of how local authorities can deliver and revolutionise their services?





The Discussion

The objective of the roundtable was to develop a set of actions that would spark change to increase digital transformation in local government across the region. The importance for the roundtable was underpinned by the consensus that digital technology is a tool that can help drive transformation of service delivery, but that this potential isn't being realised.

The discussion was further broken down into four interrelated topics and questions drawing on the participants' own experiences.

One – Understanding what local government is trying to achieve through digital transformation across the sector

The discussion started with an acknowledgement of the potential of digital as an instrumental and incremental force in service transformation, to tackle key issues related to demography and infrastructure that local authorities continue to face. However, digital transformation can only be effective with a strategy in place that provides a foundational understanding for it.

It was also pointed out that the focus of transformation is often wrong, being too fixed on outputs. Rather it should be the outcomes that are aiming to be achieved that must be the guiding light. As part of this, more thought needs to be had to the purpose of technology in supporting delivery of existing services as opposed to the technology itself.

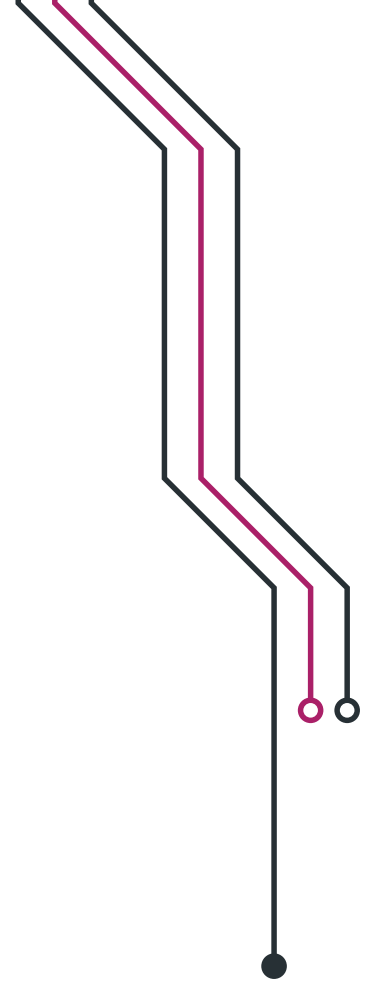
Relatedly, local government must ensure that whatever processes are being designed for digital transformation must have security considerations at the forefront. Otherwise, there is a risk of authorities rushing to implement digital transformation that may pose security risks in the long term.

There was a recognition of increased buy in from senior levels of local government on digital transformation. To build on this, local authorities should look across their organisation to understand how transformation will bring an impact. Key considerations here will be upskilling staff, community engagement, and collaboration across services.

Local government also need to realise the importance of digital awareness and comprehension within their residents. The sector can learn lessons from abroad, especially Estonia who have managed a successful top-down transformation.

Regarding the latter, there was an acknowledgement of a resistance to embedding new technologies for fear of job loss through automation. This touches on a wider issue the sector must contend with. While there is an increase of strategies framing transformation efforts, authorities need to understand how their workforce fits in to this through digital upskilling at the grassroots level.

Tied to this is change management. Historically this isn't something local government have been good at. However, if the sector takes inspiration from successful cases including in Estonia, then the transformation itself will be smoother to manage.



Two – What does the average local authority look like for digital transformation?

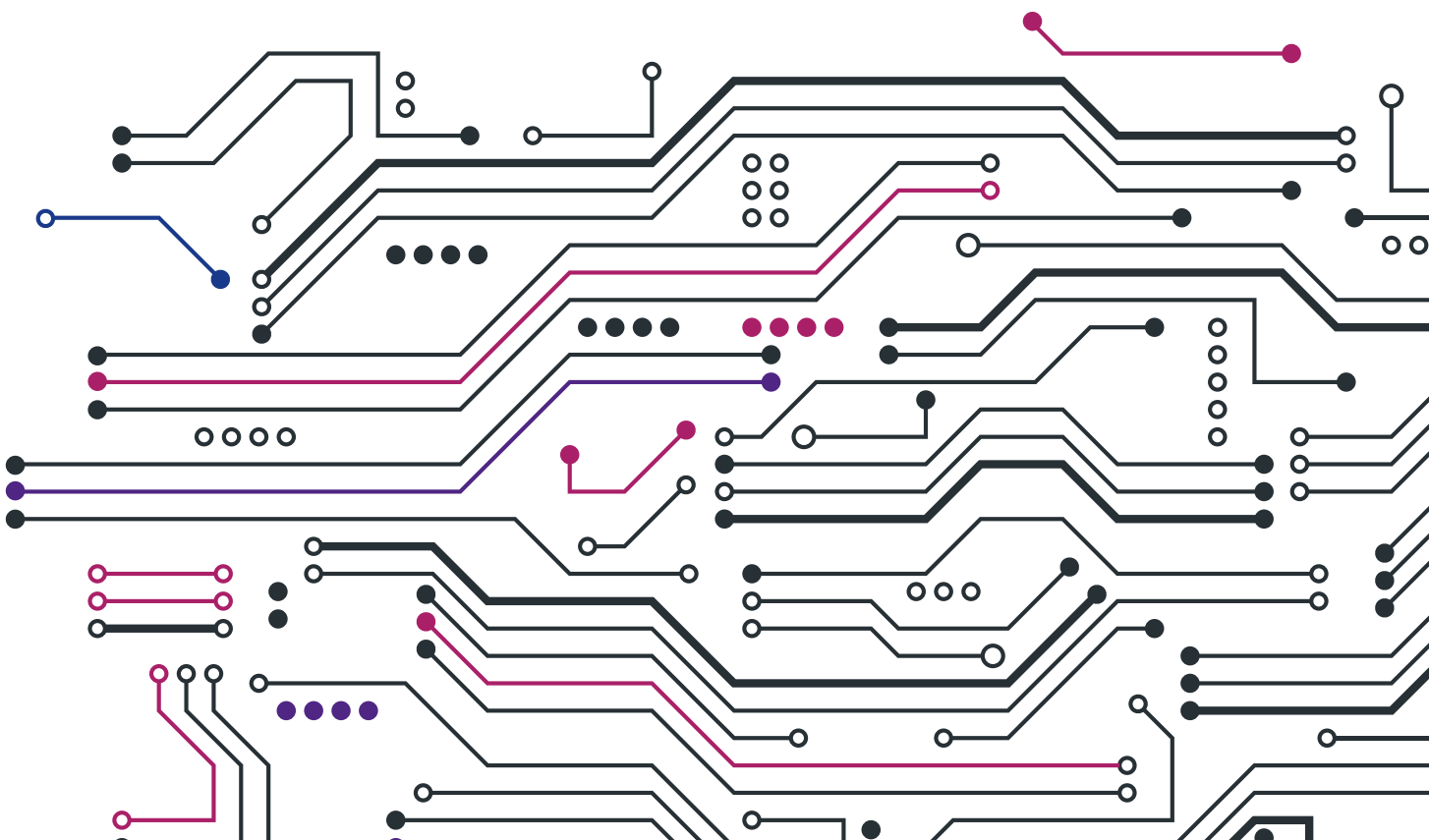
On this point, participants drew attention to the numerous ways digital transformation can occur across every local authority. Looking ahead, a collaborative approach would be better to enhance cross organisation learning and support on it. This would mitigate issues highlighted around significant delays in the transformation process to date.

On an individual level, one local authority discussed their ambition with transformation being to make resident's lives easier. Across the locality, there is a mixed bag of those who need to directly engage with the council and those who don't want to interact. Therefore, the transformation approach taken has been to find a way to serve the desires of both sides.

While progress is being made across the board, a perceived threat identified was with internal trust within authorities amongst employees regarding any transformation to job security. There was large consensus that addressing these concerns across the organisation is a necessary part to successfully implement any transformation.

Elsewhere, it was argued that digital transformation across local government may be trying to solve a problem that the UK Government may already have solutions to. Council tax was seen as an example of an issue attempting to be solved at the local level but would better benefit from a national top down approach, with the ease of paying Road tax used as an example.

Taking such an approach to the transformation will require increased data sharing across the board between central and local government. Overall, an effective transformation will entail assessing what issues are better solved at national or local level.



Three – What are the current barriers to digital transformation and how to remove them?

A leading barrier discussed throughout the roundtable was the risk of automation to the jobs of council staff. This is an area where a top-down approach may not work.

Another issue highlighted was with how transformation will deal with legacy digital systems. It was asked whether new systems of innovation and progression could be built on the existing systems in place. It was pointed out that discussions around digital transformation always occur on a higher level. But foundationally, it is driven by data that is then driven by processes.

In Higher Education, legacy technology in universities has been driven by business debt, and the trial and error of the suitability of different features. However, a similarity shared with local government is the absence of any understanding in how to protect the foundational data underpinning the transformation.

Relatedly, many in the public sector are data rich but have failed to understand how to exploit opportunities arising from this. There are legal barriers around GDPR which need to be carefully thought through. Local authorities, and the wider public sector, often forget about the value of their data.

In the recent past it has taken crises such as the COVID-19 pandemic to get the transformative change needed. But such collaboration is possible within existing legal frameworks. A lack of this was observed with smart cities, where all the data to make seismic change was present, but a coalescing force to take a big picture approach was missing.

Procuring for the digital transformation was another significant barrier raised. For one local authority present, it took 8 months to discuss procurement for a related issue on an individual basis, which was due to a wider lack of knowledge. However, when the same authority worked within the WMCA procurement framework the entire process was completed in a much shorter time.

The discussion on barriers ended with agreement that leadership in the transformation is a top barrier. Collaboration across the sector on the transformation requires strong leadership that has clarity of purpose. Going forward, lessons from the pandemic should be taken where there was a real incentive and need to learn from one another.

Overall, leadership is the key to unlocking the true potential of transformation, which becomes an easy problem to solve with enlightened leadership. Yet, there are many senior leaders who don't understand digital and choose to hide away from it. This is a key area of change required.



Four – What are our asks of policymakers and local government with regard to Digital Transformation?

A leading ask was for policy makers to better understand how their decisions on the transformation will manifest on the ground. Lessons from COVID-19 and related business grants show that there was no process to capture the effectiveness of this process. A well-designed policy idea should lay out a delivery mechanism.

The digital transformation equally provides policy makers with an opportunity to reimagine local government. After more than a decade marked by austerity and other challenges, this provides an opportunity to re-invent the sector.

This should start by streamlining processes that each authority shares through closer collaboration. This would enable policy makers to focus on the key areas that require localised adaption. Additionally, the process of reimagining should aid local authorities to strive through the transformation, especially helping council staff find new opportunities across the organisation.

Policy makers ought to take inspiration from international success stories, especially Estonia. The key point of inspiration from this is the top-down approach. Looking to central government and understanding their transformation can help local government with their own journey, as local policy makers can know what central government can help with.

Building on this, local authorities should be able to use the rich data held by central government on individuals to help drive and deliver the transformation locally to improve residents lives. Strategic direction from central government will set the stage for a collaborative local effort.

Policy makers ought to understand the trade-offs with the top-down approach. Centralised digital services benefit from scale at the expense of personalisation. However, centrally streamlining the same services across localities will enable focusing on locally specific issues. It's important to analyse this trade off and see where this is worth it.

Finally, in a policy landscape geared towards devolution and emancipating public services to improve people's lives, there needs to be a balancing act. Particularly between enacting policies on a larger scale and taking a localised approach for residents in others. Ultimately, there are a multiplicity of problems requiring a delicate balance between strategic change by government and emancipation on unique place specific issues, all matched with correct level of funding.



Contributors



Tracy Pound, Managing Director, Maximity Limited **Digital Advisory Board, Centre for the New Midlands**

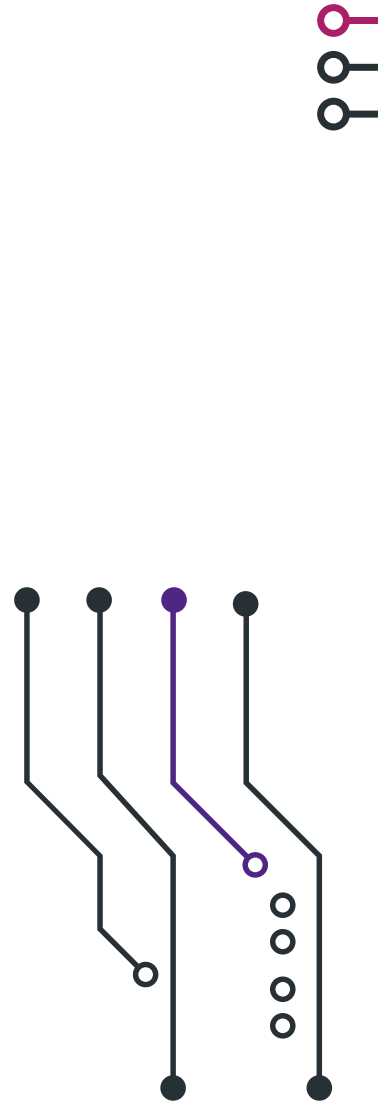
Tracy founded Maximity, an IT consulting and training business specialising in Microsoft Dynamics 365 Business Central and Microsoft 365, in 2000 and co-founded Prizm Solutions, an insurance brokerage, with her husband in 2006. Tracy was voted PCR'S Woman of the Year 2016 and one of the top 50 women in technology in 2014 and 2015. She was awarded CompTIA's Member of the Year in March 2017, and voted in as Chairwoman of the Board of CompTIA in May 2021. She is passionate about diversity and raising the bar in professionalism and skills with tech professionals.

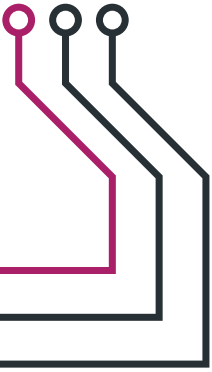


Paul Greenhead, Chief Operating Officer, Jadu

Paul is the newly appointed Chief Operating Officer at Jadu. He is an experienced leader with a strong background in digital transformation and extensive experience delivering complex changes and innovative solutions, and is passionate about protecting public services that deliver value to citizens. After starting his career in local government, Paul has consulted across the public service landscape, driving organisational and technology-enabled change within large government departments, and in complex local government and healthcare settings. His career highlights include establishing and growing a successful change and innovation consulting portfolio and delivering award-winning digital transformation projects for local government clients.

At Jadu, Paul is focussed on enabling clients to build capabilities for digital transformation which will deliver better and more cost effective, customer-centric services. Paul is leading the team to enhance Jadu's products and services, focusing on leveraging innovation to improve service delivery and operational efficiency.





Suraj Kika, Group CEO and Founder, Jadu

Suraj Kika is the founder and CEO of Jadu, a leading global provider of low-code, accessible web experience software, that has been digitally transforming hundreds of government, education and private sector organisations around the world. Suraj founded Jadu in 1999 and since then, has led Jadu to become a leading provider of web content management, eForms, CRM, portal and customer case management tools for the enterprise. Suraj has spearheaded Jadu's mission to become the world's most accessible digital platform, driven by a shared team passion for making digital services that are inclusive and accessible to all.

Suraj is passionate about empowering local government and public sector organisations to deliver accessible digital services to their users. He is also a visionary leader who shares his insights and predictions on the future of tech in the public sector through podcasts, blogs and events. In 2018, he was recognised as a Digital Leaders Local Champion for his contribution to digital transformation in local public services. In 2022, he was invited to Buckingham Palace to meet His Majesty King Charles III at a reception for Small Businesses across the UK to congratulate them for their contributed value to the UK economy.



Amardeep Gill, Head of Public Sector, Trowers & Hamlin

National Head of Public Sector, Amardeep is a recognised expert advising all levels of government, public bodies and UK and international businesses on transformation and business critical projects including joint ventures, public/private partnerships, complex supply chain arrangements, regulatory matters and large-scale procurement exercises.

He has extensive experience across a range of sectors including digital technology, leisure, transport, health, logistics waste, major events, housing, education, outsourcing, regeneration and aviation.

Current work includes advising on projects involving 5G technology, commercialisation strategies (inc Teckal companies), City Deals, local government reform, the roll out of connected autonomous vehicles, devolution deals, the Smart Cities agenda, PPP/PFI contract extensions, variations & refinancings (including two PFI terminations involving Treasury input).



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