

Councils Report Progress Towards Online Targets

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* COUNCILS REPORT PROGRESS TOWARDS ONLINE TARGETS

- Findings from comprehensive analysis of councils' IEG3 Statements
- Councils show progress, commitment, but significant work ahead
- Market sector summaries included below

English local authorities have so far spent £2 billion to reach less than halfway towards their overall plans for eGovernment, according to a new report by public sector business intelligence specialists eGov monitor.

Detailed analysis of eGovernment progress reports submitted by every English council has found that with a current stated budget of £1.2 bn now left to achieve Whitehall's current targets for e-enabling all services by 2005, a demanding workload still lies ahead for local government to complete. The challenging timescales that councils have set themselves for this complex task will require many crucial eGovernment projects to be pushed through at break-neck speed.

At this rate, the local eGovernment programme risks failure against its objectives unless Whitehall relaxes its centrally-driven e-targets enough to open up the way for councils to give greater attention to their local priorities.

The finding comes from eGov monitor's analysis of all of the Implementing Electronic Government (IEG3) Statements which councils in England submitted to the Office of the Deputy Prime Minister late last year, showing how billions of pounds of local government investment in technology is being put to use.

Progress by English local authorities in fully implementing a selection of core 'building block' technologies as of April 2004 is as follows. The figure represents the percentage of councils stating these systems will have been fully implemented by April 2004.

- * Establishment of fully e-enabled one stop shops for face-to-face customer contact: 22 per cent
- * Corporate use of Document Image Processing and Workflow systems: 19 per cent
- * Use of systems to enable e-procurement: 15 per cent.
- * Contact centres (e-enabled and dealing with at least 80 per cent of incoming telephone calls to the local authority): 13 per cent
- * Application of Knowledge Management systems and techniques for service improvement: 10 per cent.

Corporate use of customer relationship management (CRM) software has far to go with 19 per cent of councils reporting projects implemented in full. This figure is forecast by councils to surge

dramatically over the next two years to reach 90 per cent by 2005/6, from a standing start of just two per cent in 2001. Corporate use of Geographic Information Systems (GIS), for example for map-based data presentation, fares better with 53 per cent of councils indicating that this is fully implemented.

eGov monitor's analysis finds that local authorities' progress on some other core systems to support eGovernment is generally more advanced. A selection of findings on progress across councils in fully implementing these systems is as follows. Again, the figure represents the percentage of councils stating these systems will have been fully implemented by April 2004.

- * Upgrade of income collection systems: 50 per cent
- * Upgrade of financial information systems: 44 per cent
- * Upgrade of Human Resources and Payroll systems: 30 per cent
- * Local service websites tailored to achieving 'transactional' status: 29 per cent
- * Upgrade of office systems to support eGovernment, for example web-enabling legacy systems: 27 per cent

The IEG3 Statements show that the evolving market presents many opportunities for all involved. Outputs from the National Projects present local authorities with a valuable source of standards, systems and best practice. Innovative partnering arrangements where suppliers help local authorities deliver savings, service improvements and business benefit could open up new avenues for the ongoing funding and sustainability of eGovernment. Access to EU monies is also another area largely unexplored, with the data from the IEG3 Statements showing a huge untapped potential source of funding.

Rupert George, analyst at eGov monitor, comments:

"This year's IEG3 Statements show a great deal of work has been accomplished by councils in difficult circumstances. Another positive aspect is the strong commitment across councils in England to ensuring the success of the local eGovernment programme.

"But substantial work is needed to increase take-up, drive up savings and deliver even more value for money from their IT investments.

"Over the next year councils will be faced with a series of fresh challenges with the forthcoming appointment of a new Head of eGovernment for the UK, the Gershon Efficiency Review and a new set of 'priority service areas' emerging from the Office of the Deputy Prime Minister.

"Together these will place increasing pressure on local authorities to shift gear towards business transformation aspects of technology, automating and integrating back-offices, while at the same time managing their local priorities with those set nationally.

"In this very fast paced environment the risks are high and missing opportunities could prove expensive."

Other findings and trends:

- * DIGITAL TV

Although the Government considers interactive digital TV as a key channel for reaching groups seen as least likely to have access to the internet, iDTV has made slow progress in local government after some signs of early rapid take-up. According to the IEG3 Statements, it is one of the least popular access channels in which local government chooses to invest. Those that do report on live iDTV services tend to be those involved in various pathfinder, pilot or central government-driven initiatives. eGov monitor believes that a challenge for suppliers will be to demonstrate iDTV's value for money to local authorities beyond this core group of early-adopters.

* CUSTOMER RELATIONSHIP MANAGEMENT

Central to Government plans for citizen-centred services and heavily endorsed by Ministers, customer relationship management (CRM) represents a significant priority for local government, and appears to be seen by many as nothing short of the key to transforming their services. According to the IEG Statements, many councils have awaited the outputs of the ODPM's National CRM Programme with great interest, although a surprisingly high number of authorities (one in eight) regarded these as "not useful". This off-message response to the ODPM should be a concern if the outputs of the National CRM Programme are to be developed and taken up across the board.

* GEOGRAPHIC INFORMATION SYSTEMS (GIS)

Corporate use of Geographic information systems technology is becoming established in local government, with some councils reporting using different systems for different departments. Current GIS applications cited in the IEG3 Statements include targetting crime hotspots, supporting health and social care planning, mapping benefits claimants, locating abandoned vehicles, and now as an education tool in schools. A growing trend is for councils to provide GIS services for citizens, such as in providing map-based community information or by extending their corporate GIS to the public. The plethora of use and the varied application of representational data indicate a continued market in the expansion and upgrading of established GIS capabilities.

* BROADBAND

According to the IEG3 Statements, around a third of English local authorities are already working in partnerships to aggregate demand for broadband. Provision of broadband services in rural areas and to disadvantaged communities is a concern for many and an issue they feel cannot be left to the private sector to resolve.

* E-DEMOCRACY

Despite high levels of interest by councils in a central government-sponsored national project, eDemocracy is very much a lower priority issue for local authorities in terms of the overall eGovernment

agenda. Despite this, over a third express readiness or interest to trial electronic voting or counting technologies in local elections by 2005/6. A clearly more pressing issue for local government is that of equipping all local councillors with email and internet access, given the current central government focus on allowing the public greater access to their elected representatives.

* STRATEGIC PARTNERSHIPS

eGov monitor's analysis has identified more than 100 strategic partnerships forged by councils to help deliver eGovernment. These partnerships deliver significant benefits and are identified by many authorities as key to IEG success.

The full report - "Local eGovernment Opportunities: IEG3 Analysis" - providing detailed analysis of all IEG3 Statements, including spending figures, will be available shortly from eGov monitor.

* NOTES TO EDITORS

1. For further information contact Babak Khakpour or Ian Cuddy at eGov monitor on tel. +44 (0) 20 7384 1551 or email: babak.khakpour@egovmonitor.com

2. Background to IEG

Since 2001, the Office of the Deputy Prime Minister (ODPM) has expected councils in England and Wales to produce annual statements summarising their progress in implementing Electronic Government. The IEG exercise as it is known is now in its third year and required councils to make their returns or 'IEG3 Statements' to the ODPM by 10 November 2003. In previous years, all councils submitting 'satisfactory' returns have received £200,000 of central government funding to support their eGovernment plans. Councils will be allocated £350,000 in 2004/5 and be asked to submit a further statement in Autumn 2004 to receive £150,000 in 2005/6. Councils will need to submit a further statement in Autumn 2005 reporting progress against the money spent.

3. eGov monitor is a specialist provider of market intelligence on public sector IT and electronic government, and produces eGov monitor Weekly, a free e-briefing covering developments in the last seven days. Website: <http://www.egovmonitor.com/>

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