HOW COVID-DRIVEN DIGITAL CHANGE IS TRANSFORMING OUR PUBLIC SERVICES

Digital adoption is creating better ways of working and serving citizens

The public sector was on the front line of the UK's initial response to Covid-19.

Dealing with patients and the pressure on health services. Remotely supporting ordinary citizens and vulnerable people. Keeping civil order as we faced a national crisis. Educating a generation from home.

All these things relied on rapid technological change: enabling remote working, developing digital services and making better use of data – to name a few.

We partnered with the Centre for Economics and Business Research (Cebr) to understand the scale of these digital changes and their impact across the UK.

Our research found that the pandemic has accelerated digital progress in the public sector* by more than four years.

This acceleration led to the following increases during a time when some might have expected these metrics to fall:

- **5.9%** citizen satisfaction

- **5.7%** employee productivity

- **4.3%** employee satisfaction

Public sector digital adoption is set to have an even bigger long-term impact on the economy than private sector adoption. Potentially adding £13.4 billion to UK GDP by 2025.

That figure could be £100 billion by 2040.

But what do these numbers really mean for you and your organisation?

We've created this short public sector-focused report to help you answer that question.

Read on to find out more.

* The Cebr research specifically looked at the UK economy as a whole, and then six main areas of interest: public administration & defence, health, education, construction, retail and professional services.

For ease of presentation, where this report uses the term 'public sector', it is an amalgamation of the first three areas. We recognise these three areas alone do not make up the entire public sector, and that some of their activities can also fall within the private sector.

The pandemic accelerated digital progress in the UK's public sector by more than four years.
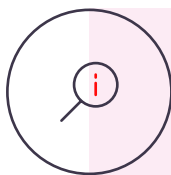
Rate of digital acceleration by sector

- Justice: **5.3 years**
- Health: **4.6 years**
- Central and local government: **4.1 years**
- Education: **2.9 years**
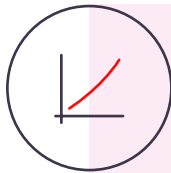
Areas of digital adoption (sector average)

- **39%** made changes in delivery of services
- **37%** made changes in hybrid working
- **19%** made changes in the use of big data and analytics

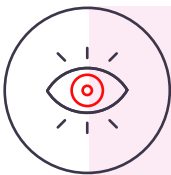### Changes in ways of working (sector average)

- **58%** increase in number of days worked from home

Positive impact of digital change vs. 2019 (sector average)

- **5.9%** increase in citizen satisfaction
- **5.7%** increase in employee productivity
- **4.3%** increase in employee satisfaction

Views on digital change by sector

- **65%** in public administration and defence said changes were positive
- **53%** in health said the same
- **50%** in education said the same
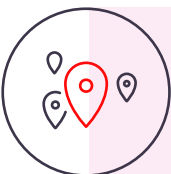
Top four regions for digital acceleration

- East Midlands: **4.1 years**
- Northern Ireland: **3.7 years**
- South East: **3.5 years**
- Yorkshire and the Humber: **3.4 years**

How and why has the public sector adopted digital technology during Covid-19?

Embracing the hybrid working revolution

Across our public services, Covid-19 forced teams to work remotely almost overnight. Entire courts, offices and classrooms switched to remote working with no rehearsal and very little warning.

Organisations responded brilliantly. They invested in technologies such as collaboration tools and cloud services to support employees and citizens and enhanced cybersecurity to keep data protected.

Spend increase on hybrid working technologies in the public sector

Collaboration tools:
15%

IT equipment:
9.9%

Cloud services:
8.6%

Cybersecurity:
5.4%
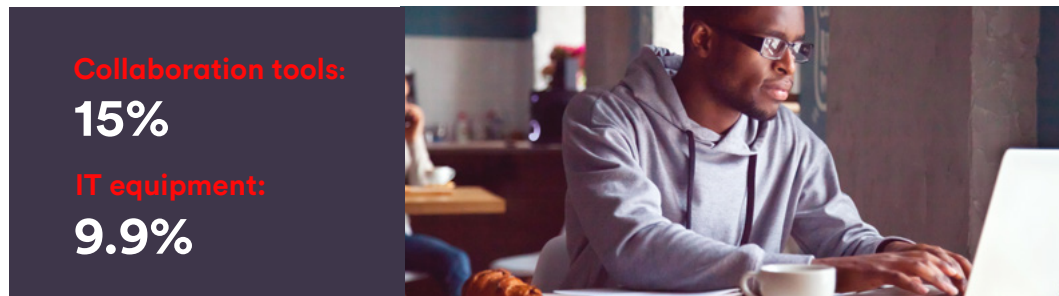
This technology not only allowed employees to work remotely, it also allowed decision-makers to collaborate virtually across organisations and plan improved services faster and more effectively.

And as restrictions lifted and a semblance of normality returned, organisations were faced with a new question: how do we make hybrid working work for us?

This continued investment in hybrid working has empowered employees and given organisations the security and protection they need to perform at even higher levels than before the pandemic began.

And the data reflects this, showing an average increase in employee productivity of 5.7%.

Dr. Ben Wright, Lead Clinician for the Richmond Wellbeing Service, says the shift to hybrid working has been extremely beneficial for his organisation.

"The wholesale move from face-to-face work, to simply not being able to see each other and working from home, meant organisations had to enable that digital infrastructure."

For Dr. Wright, this switch to hybrid working and the ensuing improvements in digital service delivery have led to improved health outcomes for many.

"There are multiple dimensions in which digital improves quality of care delivery: information access, information coordination, information transformation."

Now Dr. Wright believes there is far more to come from hybrid working and digital technology.

"There is so much more value we can extract from digital, if we go about it in a systematic way. The challenge is to go from good to great."

Top reasons for making hybrid working permanent:

1. Improved service quality and experience for citizens
    e.g. digitalising, ecommerce, contact centre

2. Employees demand because of an improved work/life balance

3. Organisation decision-making

4. Employees demand because of increased productivity benefits

Decision-makers and employees alike have recognised the benefits of hybrid working. Now the focus is on sustaining the momentum in a way that works for everyone.

> **"I do think there was a lot of ability to break down barriers that were previously there and challenge people about their models of working. We've shown now that remote consultations and working from home can work.**

Jeremy Drake,
Chief Clinical Information Officer, Buckinghamshire Healthcare NHS Trust

Delivering digital services that work better for citizens

The online delivery of public services has revolutionised how, when and where people can receive the help they need.

Be it providing prescriptions to patients, using virtual courts to keep the justice system running or educating children, the digital delivery of services has been crucial in keeping the UK going.

Organisations have invested heavily in enhancing citizen experiences, automating services and supporting online transactions.

Spend increase on digital delivery of services in the public sector:

Citizen experience:
10.3%

Automation:
8.6%

Digital and contactless payments:
8.4%

This investment in digital delivery has meant that organisations are able to provide a better level of service and reach those who otherwise may not be able to access them at all.

When the pandemic struck, Moorfields Eye Hospital rolled out an ambitious digital programme in just two days. The service gave patients access to the vital eye care they need without having to travel to hospital.

And it can host up to 600 video appointments a week, with 80% of patients saying they could now get the treatment they needed online thanks to the digital service.

"We're proud that we're able to offer this new service." Dr Peter Thomas, Director of Digital Innovation and Consultant Paediatric Ophthalmologist at Moorfields, told us. **"Necessity has forced us to approach problems in new ways and this is a great example of how we can utilise technology to provide a rapid solution."**

It's this kind of flexibility and efficiency that has led public services to invest heavily in digital change.

Now organisations are keen to sustain this momentum in the digital delivery of services

Why?

Because leaders have seen first-hand how they can provide a better quality of service and experience for their citizens. The data and insights gathered from this digital delivery of services enables them to make better, more informed decisions.

And the benefits gained from digital services are closely linked to those of hybrid working, especially when it comes to where and how employees work.

Top reasons for making changes in digital delivery of services permanent:

Improved service quality and experience for citizens e.g. digitalising services, providing new online tools and platforms for citizens to access information

Employees' demand because of an improved work/life balance, made available by shifting services online

Real-time data intelligence and insight for decision-making that will help improve services and operations

The benefits of public sector organisations delivering services online have been felt across society, employees and the economy. And in the wake of the pandemic this change shows no signs of slowing down.

> I think people can see now that digital isn't just the preserve of the ICT department – in the past it felt like we were banging on people's doors. It's the other way around now – people see the role of technology to deliver better services to customers and communities and are really anxious to see change quickly.

Laurence Ainsworth,
Director of public service reform, Cheshire West and Chester Council

Using data and analytics to improve our public services

Machine learning and artificial intelligence (AI) have played an important role in helping the public sector tackle the challenges brought by Covid-19.

Better use of data and analytics has been crucial to enabling hybrid working and delivery more digital services. helping leaders make better-informed decisions than they otherwise could have.

Spend increase on data and analytics in the public sector:

Machine learning:
12.6%

Analytics and insight:
5.1%

Online marketing:
3.8%
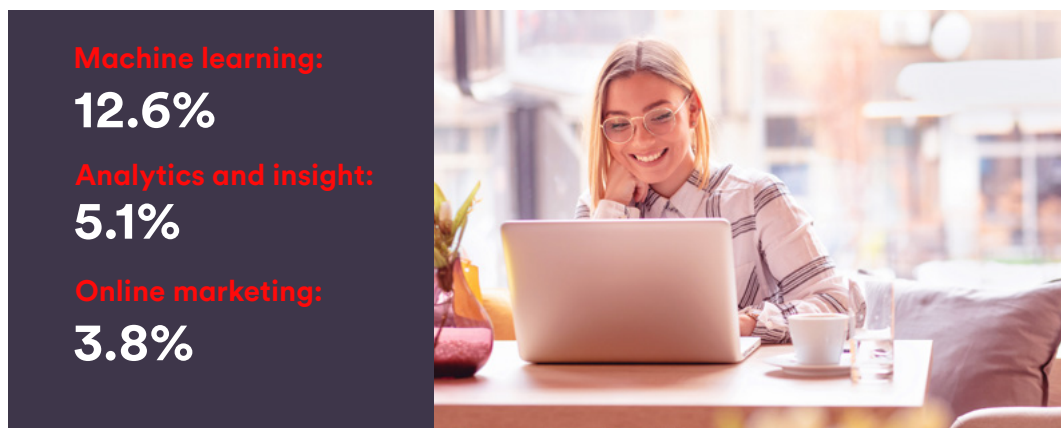
Police forces, GPs, local authorities – all of these organisations can now access and share information across public services securely and efficiently. And in doing so they benefit from greater visibility of how they should be prioritising resources and how they can better serve citizens.

The Data Accelerator Fund, which launched in September 2021, will see 10 councils work closely with police forces, local NHS services and schools to help vulnerable children and families across England receive earlier and better support from local services.

By sharing information across the public sector, frontline workers will get a full picture of a family's circumstances and will be able to tailor support to their specific needs. All this has been achieved through the sharing and analysing of service data.

Now there is an opportunity for decision-makers to create a more informed and better connected ecosystem for their employees and citizens.

Top reasons for making changes in digital delivery of services permanent:

1. Employees demand because of increased productivity

2. Improved service quality and experience for citizens

3. Real-time data intelligence and insight to inform decision-making

> Digital is now at the heart of the way we work. Previously we would've taken three weeks to clear 400 applications from landlords. When we automated that clearance process, we had 80% cleared in three hours. Freeing our staff up to focus on the complex ones that needed a conversation. There's more time for empathy, judgement and face-to-face human interaction. We don't want technology to cut things, we want to do things better.

Stephen Moir,
Executive Director of Resources at Edinburgh City Council

Next steps

As we look to the next few years, the opportunity is clear.

Leaders must continue the progress they have made and seize a new era of benefits brought about by the ongoing investment in hybrid working, digital delivery of services and better use of data and analytics.

There's no doubt that accelerated digital change has proved its worth.
But there are still obstacles to overcome.

Courts face large backlogs of cases. The UK is tackling a social care crisis. And organisations must now discover the balance between hybrid working and creating a culture where employees feel heard, seen and valued no matter where or how they do their jobs.

Across the board, however, increases in employee satisfaction, productivity and citizen satisfaction during a time when many would expect these to fall are all strong indicators of a of a UK that is rebounding from the pandemic even stronger than before. And digital adoption has played a crucial role in these improvements.

Now there is an opportunity ahead to:

- Improve patient and citizen outcomes

- Introduce more efficient processes

- Strengthen working relationships between health, local government and other public sector and third sector organisations

- Better serve disadvantaged communities by putting access to work and digital services at the forefront of the public sector agenda

> ❝ The risk is the centrifugal forces in place that are trying to pull people back to what it was before. We need to work actively and purposefully to try and avoid that happening, so retaining the good things that happened during Covid – very quick decision making, clarity of purpose. ❞
>
> Mark Gannon,
> Director of business change and information solutions, Sheffield City Council NHS Trust

There can be no going back to the old ways of working.

Of course, no two organisations are the same. They have different needs. But the evidence is growing that accelerating digital transformation brings significant benefits at every level.

By encouraging flexible working, increasing digital delivery of services, and investing in ways to analyse data to improve decision-making, your organisation can thrive in the wake of Covid-19. And these digital transformation projects free up considerable resources to use elsewhere.

Want to know how we can help you make the most of these opportunities?

Let's have a conversation.

This is a Virgin Media Business report based on work undertaken by Cebr. For the full analysis and economic modelling, methodology and literature review, you can read Virgin Media Business' summary and download Cebr's report.

Read the full report

CEBR Report on Digital Transformation | Virgin Media Business

Get in touch

0808 159 7725