



Means
Business

The Future of Local Government

Managing changing requirements
of citizens and staff




How digital transformation can help local authorities empower staff and overcome increasing demand on public services.

The shifting sands of local government; changes, challenges and expectation.

The current landscape is familiar to many. Local and devolved governments are all working incredibly hard to support their growing communities. However, despite the continued dedication of public sector workers to increase quality of life for their communities, local authorities are being forced to operate in an increasingly challenging environment.

The combined pressures of facing reduced funding, meeting net zero targets, and supporting an ageing, diversifying and expanding population with limited resources, might seem like a difficult mountain to climb. However, with emerging technologies these challenges are not insurmountable.

In this whitepaper, we'll share our perspective on the challenges faced by local and devolved governments, while highlighting opportunities for efficiency and innovation. This is aimed at mitigating the increasing demand on public services, levelling up services for the community, and attracting, supporting and retaining public sector staff.



“Local government should lead the response to the most fundamental challenges facing our society. They are the only bodies at local level with a democratic mandate and the citizen focus required to lead the place and growth agendas.”

PwC



“We want to co-create the conditions for the next generation of local public services. Where technology is an enabler rather than a barrier to service improvements, and services are a delight for citizens and officials to use.”

Local Digital

Supporting a continually growing population

Developing innovative and efficient approaches; now and in the future

With the growing and changing profile of the UK population, demands on council resources are set to increase.

According to the ONS, in the 10 years between 2011-2021, **the UK population grew by 5.9%**. However, during the UK government austerity programme, public funding also fell by £30bn in a similar period. When looking at the role of a local authority, this creates a number of challenges. As the UK population grows, it's also ageing, with 50% of those over 60 at risk of social isolation, and 80% of adults over 65 living with at least one chronic condition. Meanwhile, increasing cultural diversity can lead to additional language requirements for council staff. With these population changes set to continue, finding increased efficiency is more important than ever.

By 2041, 24% of the UK's population is expected to be over 65.

The UK population grows by 1 person every minute.

From the point of view of day-to-day interactions via a council contact centre, automation and web-based services offer a solution, when implemented with appropriate consideration. For example, the implementation of chatbots can seamlessly handle simple queries such as reporting missed waste collection, renewing parking permits or reporting cases of fly tipping for large proportions of the local community. This reduces the strain on contact centre staff and citizen wait times, while also helping to bridge language barriers for different communities.

On top of this, it's crucial to remove human intervention from some interactions like council tax payments to ensure PCI compliance. However, it's important to remember that these solutions will not address all of the population. When demands for service and support from a local authority to its populace are expanding and ever-changing, striking a balance between the provision of digital channels and person-to-person service is vital, to avoid adding to the digital divide. When implemented properly, chatbots should be complementing, rather than replacing staff; handling the simple queries to free-up trained employees to give citizens with more complicated requirements the appropriate support.

71% of the public expect customer service to be available 24/7, with satisfaction increasing with newer communication methods such as text and webchat.

Managing changing expectations

The public wants support and answers to their questions in a timely way. Standards for customer service are higher than ever before, as citizens expect to be able to interact with organisations in a way that best suits their needs. By providing a selection of communication channels, from phone and email to webchat and social media for selected services, combined with appropriate training and focus on the citizen's journey, local authorities can see a dual benefit.

Firstly, increase the productivity of agents who, in a traditional voice-only environment, can only handle one interaction at a time, by enabling services like webchat, where the same agent can manage multiple interactions at the same time. Beyond those efficiencies, citizens receive a better, more seamless experience. Furthermore, by providing the ability for the user to digitally self-serve if they choose to, answers can be provided quickly and efficiently, further improving customer experience, and removing the requirement for interaction altogether.



The importance of narrowing the digital divide

Enabling you to support citizens with the necessary skills to move forward

As the demand on public services is set to increase, tackling the root causes of this demand is crucial to improving the prospects of all citizens and local authorities, while also mitigating future challenges. And one of the key challenges for local authorities in this space, is tackling the digital divide.

In an increasingly digital world, citizens risk being excluded when they lack access to the skills, technology or tech literacy needed to navigate the Web. This lack of access to technology, the internet, or the skills to navigate both, may mean that those individuals experience reduced access to their families, friends, employment, government, advice services, and much more. This has countless knock on effects, impacting a citizens health, finances, self-esteem and self-worth, potentially increasing loneliness and feelings of isolation.

10 million people in the UK lack the very basic foundation skills needed for our digital world

Lloyds Bank EDS

6.9 million people in the UK will remain digitally excluded if nothing is done to help them

Cebr, 2018

It's an issue the digital inclusion charity, Good Things Foundation, knows all too well. Since 2014 the organisation has been working with network partners and grassroots community groups across the UK. They set to improve the digital skills of socially disadvantaged people through free resources, workshops and distributing refurbished devices.





9% of households containing children did not have home access to a laptop, desktop PC or tablet.

UK Parliament

Local authorities are also trialling innovative solutions to adapt their services. Some councils are providing personalised answers over the phone with the use of voice bots and natural language processing. Other authorities are renting out small numbers of tablets and 4G-enabled recycled laptops to homebound residents, or to those that need them.

And it's for good reason. With 90% of jobs only advertised online*, and digital skills shortages costing the economy up to £63 billion a year, tackling digital exclusion in communities has the potential to help combat wider social inequalities and create positive change.

We recognise the importance of narrowing the digital inclusion gap and have an established history of working with local authorities and nonprofit organisations on a consultative basis to provide solutions that will drive better outcomes for citizens. This includes a robust digital **Skills for Tomorrow programme**, designed at reversing digital illiteracy and empowering citizens to take control of their digital footprint online.

The dependency on digital skills will only increase, creating not just skill barriers but also economic barriers for the most vulnerable in society, that will only perpetuate this cycle. That means expanding programmes like those mentioned above is critical for local authorities as they look to reduce demand for public services and improve quality of life for citizens, both today, but especially looking ahead to the future.

***Source:** The Communications and Digital Committee report: Digital exclusion



Empowering staff to better support citizens

Flexible and scalable solutions to attract and retain talent.

When planning for the future demands on public services, a crucial challenge not limited to local authorities is the skills shortage. A number of factors have led to a challenging recruitment market for employers across the UK. According to the ONS, in 2022 for the first time since records began, UK vacancies outnumbered unemployment figures.

The Centre for European Reform estimates post-Brexit immigration policies have led to a shortfall of around 330,000 workers in the UK. These shortages are particularly relevant to local authorities as key roles such as care workers, are severely lacking. This also extends to IT skills, such as cyber security. Other factors, from wage stagnation and cost of living increases, to lack of flexibility in working policies have resulted in employers from all sectors feeling the impact of 'The Great Resignation'.

As a result, local authorities are faced with increasing demands but limited access to talent, at a time when retaining staff is harder than it's ever been. This leaves a massive challenge for HR managers as spend per hire, per vacancy, ranges between £7,275 and £22,515. With additional costs as high as £18,500* if the wrong candidate is onboarded. Plus, it takes up to 12 months for a new starter to reach peak performance.

* Source: <https://www.hrdatahub.com/blog/staff-turnover-inflation>

That's why in order to continue to meet and exceed citizen expectations, staff retention is vital. Ensuring an excellent staff experience is crucial, and flexible working lies at the heart of this. **89% of people expect their jobs to be partly remote after the pandemic**, with one study into contact centre agents showing that on-premise agents have a retention rate of 25%, while agents who work from home have an 80% retention rate. On top of this, when looking to backfill roles, one survey found that **remote jobs attract 2.2x as many candidates**.

20% of employees were happier being able to work from home

At the same time, it's critical for HR managers to ensure they're able to find an appropriate balance between the efficiencies of remote working, and the benefit of a strong workplace culture. In one article, **PWC** acknowledge the benefits of remote working, but are quick to flag the benefits of face-to-face interaction for building relationships, rapport, and trust. As a result, it's imperative that IT and HR managers work hand-in-hand to provide the flexibility needed to attract and retain staff, without sacrificing the benefits of a physical space to connect and collaborate.

Supporting staff in the field

Enabling staff to work from anywhere will be crucial to ensuring that staff can maximise time spent in the community supporting citizens. Many social care workers still utilise paper-based notes, requiring trips back to an office to duplicate information, increasing the risk of errors while decreasing efficiency. As the population ages, maximising the productivity of these workers is vital to ensure that quality of service is maintained, while also avoiding staff burnout. As more business applications move to the cloud, empowering key workers has never been simpler.

Field workers can be given seamless access to the tools they need to do their jobs as and when they are required, and with software defined networking and multi-factor authentication, local authorities can be confident that all their data is protected. As a result, vehicle mileage is reduced as staff spend less time on unnecessary journeys to offices, and the quality of care for citizens can be increased.





Recommendations for the future

Next steps to mitigate the demand on public services

So what are the next steps as local authorities look to the future? Looking at leading smart cities, tapping into big data will transform the way authorities interact with citizens, enabling services to become more proactive, rather than reactive.

Rotterdam has been shortlisted by UserCentriCities as a finalist for their 2023 award for the creation of the Meld'R app. Co-designed with the input from 50 Rotterdam citizens and based on extensive research, Rotterdam discovered that reports about public space are essential to citizens' perceived quality of life and should be addressed quickly and properly. The app design principles focus on providing social benefits to citizens, by ensuring their reports are handled efficiently. And currently, 70% of all reports are made through the app.

Equally, as demands for social care increase, the Internet of Things (IoT) will play an increasingly important role. Around one third of people over 65 fall at least once a year, causing distress, injury and can lead to a loss of independence and confidence. Wearable IoT sensors like smart watches, provide a non-invasive means to alert care workers in the

event of a fall. This allows care to be more proactive, and can be integrated directly into a cloud contact centre to provide a wellness call immediately at the point of an alert. That means local authorities can simultaneously increase efficiency and provide a higher quality of care.

Finally, whether a city looking to become a leading smart city, or a district council looking to plan their transformation roadmap, all UK local authorities have been forced to embrace dramatic change since 2020. While this rapid acceleration of digital transformation will have yielded positive benefits, it's natural that given more time, leaders will have elements that they would have done differently. Now is the time to revisit infrastructure strategies, understand cyber security posture, and crucially, look at remote working policies. Finding the right balance between giving staff flexibility and gaining access to new talent, while not losing the benefits of a strong workplace culture, will be key to attracting and retaining crucial staff to meet increasing service demands.

Get in touch

Find out how we can help you take the next steps on your digital journey.
Visit bt.com/localgov or contact your Account Manager

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