techUK
FOR WHAT COMES NEXT

DODS

Getting IT Done: techUK Public Sector Supplier Perspectives

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Contents

Foreword

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techUK's Public Services Board, in partnership with Dods Research, is delighted to publish this report evidencing individual supplier experiences and perspectives of collaborating with public authorities delivering digital public services.

Over the last ten years, government and its tech industry supplier base have been on a significant change journey; this can fairly be described as transformational. The pandemic recently highlighted the agility and strength of public sector and tech industry collaboration. Several case studies are featured in this report to evidence this.

Advances in digital public service provision have been made possible by the extraordinary innovations that the UK and wider global tech industry have brought to market; there is little sign that this pace of innovation will slow down, giving public authorities new opportunities to improve services and secure efficiencies.

In parallel with these advances, national and local authorities have introduced new policies as well as commercial and DDaT practices that have improved their sourcing, contracting and agility in implementing digital services; this has resulted in a dramatic expansion of digital provision benefiting the public, taxpayers and front line public servants. Initiatives like G-Cloud, addressing legacy tech and the DDaT Sourcing Playbook are commonly referenced in the report as being beneficial to authorities and suppliers alike.

We wish to record our thanks to the Dods team and those senior executives from techUK member firms who engaged so openly in the report's development. Finally, it is hoped that readers will consider the research findings and recommendations both interesting and worthy of further collaborative development.

Introduction

techUK: techUK is the trade association which brings together people, companies and organisations to realise the positive outcomes of what digital technology can achieve. With over 850 members (the majority of which are SMEs) across the UK, techUK creates a network for innovation and collaboration across business, government and stakeholders to provide a better future for people, society, the economy and the planet. By providing expertise and insight, we support our members, partners and stakeholders as they prepare the UK for what comes next in a constantly changing world.

techUK's Public Services Board: The Public Services Board (PSB) is techUK's senior forum for public sector tech suppliers. The board consists of senior executives from twenty-two tech suppliers spanning major international firms, some of whom are included in the Cabinet Office's strategic supplier programme, as well as UK headquartered SMEs. As well as being representative and supportive of government's interest to work with a supply chain that spans the smallest of SMEs through to leading edge international corporations, the board is diverse in terms of the products and services that member firms deliver to government; these range across tech infrastructure products and services, SaaS (software as a service), systems integration, telco and advisory services.

The PSB seeks to create the environment for the UK tech industry to collaborate across the breadth of the public sector and enable delivery of world class, affordable public services.

More specifically, the PSB aims to: Improve the engagement between Government and the tech industry; Provide leadership on policy issues related to public services transformation; Champion better use of technology to drive efficiencies in Government and transform our public services. The board meets monthly and routinely invites senior government stakeholders to speak and engage with members on government tech demand and supply-side matters of most common and critical interest. Recent topics explored include:

- Procurement reform
- Tech skills
- Tech legacy
- Social Value
- Data standards and sharing

Most PSB board members have worked with government clients for the majority if not their entire careers; they have extensive experience of implementing major delivery projects for the UK and international governments, local public authorities and private sector organisations. They are deeply familiar working with government and with the unique set of policy, operational and legacy challenges that policymakers, procurers and service delivery officials face when transforming public services and when public spending constraints restrict scope for investment.

Finally, all PSB member firms collaborated very closely with national, devolved and local authority clients to respond with unprecedented agility, as technology now enables, to the recent challenges of Brexit and the covid pandemic. Several pandemic and other case studies of PSB members' collaborations with their public sector clients are included to evidence the sector's contribution to the successful delivery of modern digital public services.

Market Report – Research Context and Methodology

Public, private and third sector enterprises as well as society at large have all recently experienced trying and testing times with the pandemic; however recent advances in digital hardware and software technologies, be these mobile or other personal devices, telecoms infrastructure, teleconferencing or data analytics software, all proved that many essential public services could continue very effectively and when this would have been impossible only five years ago.

This report was commissioned by the PSB to collect the observations and thoughts from its members along with other key members of its central government programme. It stemmed from the PSB wanting to demonstrate its support to the challenging issues government faces and its willingness to share knowledge and expertise as appropriate. The board's brief was that the research and report should look back over the last decade and reflect on what suppliers consider have been the key changes and achievements in government's approach to engaging the tech sector to improve digital delivery of public services. At the same time and as we enter a new multi-year spending review period, the board was also keen to capture what suppliers consider to be the outstanding challenges and opportunities for improving cross sector collaboration in the months and years ahead.

techUK commissioned Dods Research to undertake the research independently on the basis of their long-standing experience of specialist public sector media, research and other services. A set of questions addressing these themes was developed by Dods Research in partnership with techUK. The Dods team conducted in-depth interviews with ten members of the techUK Public Sector Board and seven of the remaining members completed an online survey covering the same questions.

Interviews and surveys were carried out, during March and April 2022, semi-anonymously to allow frank and constructive responses. Accordingly, in the analysis which follows no indication is given as which individual or company gave a particular response although company size and sometimes specialisation is indicated to differentiate between different participants. An overview of respondents can be found in Annex 1.

Summary of Key Findings and Recommendations

Chapter 1: Shift in government's approach to digital

Findings: In the last 10 years, government digital and data teams – in concert with colleagues in procurement, front-line service delivery as well as with suppliers – have achieved much. Initially the Government Digital Service was instrumental in promoting this transformation, including the introduction of common standards which have lifted the quality and consistency of services across government.

The implementation of the G-Cloud and Digital Outcomes and Specialists frameworks and the Digital Marketplace buying platform also significantly opened up opportunities for more tech product and service providers – including innovative SMEs. These achievements are fully recognised and appreciated by suppliers.

Recommendation: Protect the foundations on which progress has been made by ensuring that digital and procurement standards keep aligned with technology advances and are widely adopted.

Findings: Government faces several obstacles to delivering ongoing transformation. Technology suppliers highlighted the challenges of ensuring sufficient access to skills, updating legacy tech and systems, and the existence of some operational silos. However these challenges are not insurmountable.

Recommendations: Government must ensure that it continues to promote and secure collaboration across departments and make the most of the expertise and insight available from suppliers, particularly at a time of resourcing pressure.

At a time when digital skills are in high demand and there is pressure from ministers to reduce civil service headcount, Government must finds ways to work more closely with the supply community to address its skills requirements. Innovations such as job shares, secondments and knowledge exchanges may begin to address this challenge.

The issue of Legacy tech continues to loom large, and departments need to tackle this now whilst funding remains available. Government must take advantage of the support available from suppliers and Cabinet Office, which will be instrumental in transitioning away from legacy.

Chapter 2: Government commercial function

Findings: The Commercial Function has improved many aspects of how government works with and buys from tech suppliers. Frameworks and model contracts are delivering benefits for buyers although benefits for suppliers risk being undermined by an excess of, sometimes overlapping, frameworks.

Technology firms recognise the advantages and potential rewards of being, effectively, pre-approved as a qualified provider of goods and services, but the number of frameworks potentially available to suppliers creates a genuine burden for suppliers, particularly smaller organisations.

Recommendations: Regular dialogue between suppliers and Government must become business as usual. Facilitated 'innovation sessions' where Government can better understand early stage 'new' technologies, would allow service design and commercial professionals to consider appropriate adaptations to model contracts and delivery arrangements.

The Crown Commercial Service should continue building its engagement with suppliers and its own customer base of procuring authorities to identify and eliminate framework duplication for specific categories of goods and services. This will save time and money for both buyers and their commercial partners and increase transparency of category spend.

- **Although the research took place before the Procurement Bill was published, reforms outlined in the Bill address many the themes raised by suppliers such as making contracting terms more proportionate and relevant, and creating greater access opportunities for innovative companies of any size.**
- **Commercial leaders should be bold in implementing this change, recognising the potential to cement gains and fast-track progress.**

Findings: The intent behind the introduction of social-value measurement in procurement is firmly supported by suppliers of all sizes and specialisms.

Providers welcome the opportunity to demonstrate the value they can bring to communities and staff and the efforts they are making to address wider social or societal issues. A general shift away – at least to some extent – from buying decisions made solely on price is also welcomed, with areas such as security, accessibility and technical competence coming into greater focus.

While it is still early days in terms of central government authorities having to evaluate bidders' social value proposals, suppliers are concerned about the consistency of evaluation approaches and the relevance of some social value requirements to the specific tech product or service requirement. As tightly competed contracts for tech goods or services are normally won or lost by narrow margins, establishing clarity and confidence on how social value is evaluated and monitored is critically important.

Recommendation: Government should work with suppliers and with third-sector experts to refine and perfect social-value mechanisms. This collaboration should allow a wide variety of well understood criteria by which social value can be evaluated and monitored using measurable and transparent criteria – whether this be in meeting local or national social value agendas.

Chapter 3: Thinking beyond government

Findings: Government met the challenges of the pandemic with a range of innovative and fast-paced digital and data solutions. This included a widespread and impressively rapid switch to new ways of working, as well as the delivery of some major technology enabled responses such as the furlough scheme, the Shielding Vulnerable People Service and the vaccination rollout. A key success factor identified by suppliers was the speed and openness of collaboration with industry as solutions were being developed.

Recommendation: Digital and commercial teams should continue to develop the strong co-operation built up during the pandemic, building shared and mutually agreed priorities between buyers and suppliers.

Findings: Inflationary pressures and economic uncertainty, combined with supply-chain challenges and fiscal pressures, may make transformation in government harder in the near-term. Budgetary pressures risk leading departments to focus on short-term costs rather than the overall value of a project, while projects may slow down or stop, whether due to supply chain challenges or changed prioritisation.

Recommendation: Transparency around digital plans and prioritisation across government will enable suppliers to plan their own work more effectively and improve the support they can offer government.

Public service leaders should continue to make the case for the value of investing in digital and data projects, building a vibrant tech market in the UK and supporting transformation that will deliver better and more efficient services in the future.

Chapter 1: Shift in government's approach to digital

1.1 Key developments in the past 10 years

Over the last decade, government has introduced many ambitious reforms and plans aimed at transforming almost all aspects of its work through smarter use of data and digital tools. The consensus of private sector organisations who have been watching – and supporting – these reforms is that government has succeeded in affecting significant positive change in that time, though challenges do remain.

Functional leadership has been strengthened, with greater expertise and strong standards

One fundamental change which many respondents noted is the creation of strong functional leadership for the digital, data and technology profession, particularly with the creation of the Central Digital and Data Office (CDDO) in April 2021.

The CDDO assumed responsibility for digital strategy, standards and spend controls, leaving Government Digital Service (GDS) – which led government digital transformation for over a decade – to focus on building and delivering tech platforms and products.

One respondent, from large software company, described the creation of CDDO as a "rebooting of functional leadership" in government. "I think we would agree with the consensus that GDS lost its way over the past few years, conflating the role of an in-house government IT developer with true functional leadership responsibilities," they said.

"We think that CDDO's establishment over the past year has addressed some of those issues and it is doing a really good job – through TCoP (Technology Code of Practice) and through other means – of establishing good functional IT leadership."

Alongside the TCoP, suppliers noted that the Digital Service Standard, enforced through spend controls, improved the quality and consistency of digital services. "It has not always been popular and not always consistently applied," noted one respondent. "But overall, it has been a good thing. To dilute these standards or their application through spend controls would be a step back in our view."

Respondents also noted that the expertise and experience of those leading government's digital work has changed – for the better – and that leaders outside of the DDAT function now have a deeper understanding of the power of digital to transform services and outcomes.

As a response from a global technology firm put it: "There are a number of people at the top of the organisation within the DDaT function that have come from the private sector, and we think that has professionalised DDaT somewhat – although there is still a long way to go. We also think that, as a general rule, director generals and permanent secretaries are becoming much more digitally savvy." As well as observing bolstered leadership and digital skills, tech suppliers also noted that government had improved its collaboration with external suppliers both through a more open approach overall, and via improved procurement processes (see section 1.2)

Government has developed new ways to buy and develop innovative services

Suppliers also mentioned a number of specific constructive examples of innovation and progress from government. The introduction of the G-Cloud framework, for example, has not only improved how suppliers can engage with government but has also "had a material impact in improving the public sector's access to the software-as-a-service capabilities available in the commercial marketplace," according to the large software company.

Another supplier, an SME, praised specific areas of government for adopting innovative ways of developing new services, saying: "I think one of the outstanding things that the UK has done is sandboxing – through the Financial Conduct Authority, for example, or the Home Office looking at digital age verification in the UK."

Another concrete example of progress is the recently launched Digital, Data and Technology Playbook, developed by the DDaT and Commercial functions within government to provide teams across the public sector with guidance on sourcing and contracting for digital and technology projects. This was described by a large technology provider as a **"phenomenal way of formalising some of the focus areas and becoming more professional as a buying organisation."**

Understanding and use of data has improved

Suppliers also reported that their customers and partners in government have a better understanding of data than a decade ago, though this has not been a straightforward change. "The government's use of data – and its understanding of data and the power of analytics and data science – has been completely transformed, particularly in the last five years," said one mid-sized supplier, who felt that current leaders of GDS and CDDO "understand data, and the power of analytics, and not as a sideshow, but how you build analytics actually into the service."

1.2 How government reforms have impacted the private sector

Changes to the leadership and structures of digital and data work have inevitably had an impact on how suppliers engage with government. Broadly, our industry respondents believe this has been positive, though in subsequent sections we explore room for improvement.

Government has become more collaborative and open with suppliers

One of the most common observations among respondents and interviewees was that government now takes a much more collaborative approach when dealing with suppliers and has become more open both in terms of widening its supplier base and sharing its own plans externally. "It would be fair to say that ten or 15 years ago, the government was very closed," said a respondent from a large technology supplier.

"You were either on the inside or you didn't know anything. Now that has changed pretty significantly to sharing both ideology and expectation, and also what good looks like. Government has improved tremendously in those areas."

There is greater digital and commercial literacy at specialist and senior levels

A respondent from a large hardware provider summed up the change by saying "you are more likely to get a hearing at the table" and reflected that this was in part due to the increase in digital expertise across government. "If you'd gone to government to talk about a cloud strategy or digital transformation ten years ago, they wouldn't know what you're talking about," the supplier noted. "You'd have found very few people in the audience who understood what you were asking. The introduction of things like the digital fast streamers and trying to get more digital native people into the civil service has made the language more widely understood and accepted."

The increasing digital and commercial literacy has not just been at lower levels, however. One strategic supplier noted that "Some of the senior officials that we're interacting with are highly digitally enabled, have got good insight as to what's going on in the market and what that could mean for their organisation, their processes and their change plans."

Reforms and new initiatives helped to widen the range of suppliers who can work with government

As well as this change in skills and attitude, reforms designed to improve the effectiveness and efficiency of public services have improved access and visibility over government contracts work for vendors of all sizes.

A key initiative hailed by suppliers was G-Cloud which has had significant benefits for public sector buyers, according to one large supplier: "Public sector buyers can define the requirements, they can run a pretty efficient competitive process through G-Cloud and, within a very short period of time, execute a call-off order through G-Cloud that allows agencies to get going with new capabilities quickly, and also try new capabilities."

Alongside this, G-Cloud has "revolutionised government procurement for many companies," according to one SME respondent who noted that "government is trying to make it easier for new innovative companies to work with [them]."

Another SME confirmed that "government's desire to digitise has largely broken the monopoly that larger systems integration companies had on the public sector and allowed niche suppliers to deliver better services."

This combination of savvy leadership and improved engagement with suppliers, has enabled technology firms to deliver more insight and innovation, and even act as trusted advisors to the public sector.

As one technology company noted:

"Programmes are smaller and more accessible to companies such as ours, as a mid-tier company. And I think, compared to where we were 10 years ago, government is much more accessible to technology companies such as ours because [previously] we probably had a system integrator between us and the customer, and the tower model can be very, very complex. Now the government has made it easier for highly innovative companies to connect and to help. Agile development has arrived – and they are very good at it now."

1.3 Challenges facing the DDaT function

Word cloud showing common words which featured in responses to the open-ended question: What do you see as the biggest challenges facing government DDaT functions?

As the government pursues ambitious transformation goals, suppliers identified three key challenges: skills, legacy technology and a lack of collaboration.

Addressing skills challenges is possible with a focus on purpose, and career opportunities

Government itself has noted the problem of skills gaps on many occasions, and our research with UK tech-suppliers confirmed the scale of the challenge. As one large supplier noted, skills gaps may be hampering attempts to reform government in many different ways: "The government needs to make sure that is developing DDaT skills, and it needs to be evaluating the impact [of its workforce decisions]. It is great to employ cloud architects and great to employ open-source software developers, but who is evaluating whether that is actually achieving the outcomes that citizens want from DDaT? You have to think about: are we choosing the right tools – or are the tools that are being chosen based on the skills that we have hired?"

Vendors also observed that this is not a problem for government only. There is high demand for tech skills in both the private and public sectors, but the consequent competitiveness is likely to impact hiring and retaining talent within civil service perhaps more than its suppliers, due to public sector pay constraints.

"Skills are clearly going to be a massive problem heading government's way," said a respondent from an SME software supplier. "I know how the dev recruitment market is right now. The government is going to find it difficult to retain people – particularly their good people – within the constraints of civil service salaries. So, they're going to have to go to the contractor market – where day rates are only going to have to go up because salaries are going up."

Yet government can and does recruit highly talented people, vendors noted, when it focuses on the challenge and satisfaction which comes with public service work. "Government has difficulty in competing with industry for the best talent," said another software supplier, "However, we are seeing that they are being successful in getting people in from industry – on either a temporary basis or permanent basis – to work in organisations like CDDO. And we are getting some pretty experienced people to work in the centre to bring in their great experience and to bring best practice into government."

Alongside the tough recruitment environment, vendors noted that DDaT leaders must ensure they are tackling retention challenges within government, with one respondent from a large technology supplier noting that "there is a lack of progression for DDaT professionals. I think they reach a glass ceiling quite quickly, which then turns them off from remaining both in the civil service and within the DDaT function."

Deeper collaboration across government and beyond may address capacity challenges

As a side note to this skills challenge, one strategic supplier noted that despite a generally more collaborative approach across government, some departments still had "a propensity to think they can do it all themselves," rather than recognising the need to seek skilled external partners when needed. "That is unsustainable in the long run," the supplier noted, particularly with resources expected to be squeezed in the next few years.

Another way to address labour constraints, one large supplier, would be to make greater use of solutions which are already available and used in the commercial world. "Configuring an open and interoperable, off-the-shelf platform will typically entail less labour resource than a bespoke capability which also comes with a long trail of legacy risk," the supplier explained.

Tech firms also observed the continuation of siloed approaches – not only between different departments, but also within the same department. Suppliers felt they were particularly well-placed to notice this, since they work with different teams and departments regularly and are therefore able to notice when government is not acting in a joined-up way. They recognised that departments will always have their own needs, but argued, as the respondent from one large technology company put it that "there should be ways of improving collaboration to define more aligned common goals and take advantage of consolidation and uniformity".

"Can we have single voice for government? No, you can't. But you can probably start to draw together some common themes and we're still not seeing enough of that sharing of good, replicating of good and consolidating of needs."

The same supplier noted that as the central DDaT teams continue to drive change and build reforms across government, "there's a lot that industry can do to help shape thinking," by sharing solutions and skills, which will bolster government's own capabilities.

While tackling legacy tech, government must also ensure it is not creating problems for the future

The challenge of updating legacy technology was another commonly mentioned challenge, and again is one which government acknowledge. The recent Spending Review allocated £6bn to tackle the challenge – a commitment which several suppliers noted and welcomed.

"There's no doubt that government has a huge challenge with legacy technology and legacy data," one large data services and software provider noted. "I think what we have seen over the last year and a half or so is a real declaration that this cannot go on and legacy needs to be solved within government. But it is a huge challenge, for a number of reasons. One of the problems is that government is an immensely complex organisation. So, actually understanding where legacy technology is, where the legacy data is, and where the legacy risks are is immensely challenging."

The challenge does not just relate to technology, noted a respondent from a mid-sized supplier:

"It's not just legacy tech: it is legacy skills, legacy data and legacy suppliers. Because, if all you do is go back to the original supplier that put the legacy in in the first place – because you think they're the only people that can get you off it – you're just going round and round and round in circles, and you're never going to break out of that."

The question of how to avoid future legacy challenges was raised by other suppliers, with one large firm noting that government should take advantage of pre-built, open and interoperable solutions wherever possible as these provide advantages such as automatic upgrades and subscription models which allow for scaling as needs require.

Shift in government's approach to digital:

1. Launching Social Security Scotland with IBM Services

In the most significant devolution of powers to Scotland in over 20 years, the Scottish Government are taking responsibility for delivering social security benefits directly to citizens of Scotland for the first time. A new agency, Social Security Scotland, has been established to support the transition of a number of Low Income and Disability Benefits from the UK government.

At the heart of this was a major transformational change in how services are designed and delivered with the people of Scotland and with the core principle of treating everyone with dignity, fairness and respect. This required a fundamentally different approach to defining the organisation, processes and technology which was centred on the needs of the citizens, to be delivered at pace and with flexibility to support the growth of benefits in the future.

The Scottish Government engaged IBM as its delivery partner for the first phase of the transition, with IBM bringing industry experience in delivering social security benefit platforms through enterprise user-centred design and agile delivery methods.

Working together in joint teams the programme engaged with users and stakeholder groups at every stage of the delivery, providing opportunity for citizens across the country to get involved in design and development of the new services.

Through this highly-collaborative partnership, Scottish Government have established the new agency and successfully launched seven new benefits, paying out over £190 million to nearly 100,000 households, establishing a modern, secure, flexible and scalable platform for the future and most importantly making a material difference to the lives of the people the services are helping.

Palantir

2. Improving data management to accelerate patient care with Palantir software

NHS Trusts across the country are facing record-high waiting lists and continuing pressures on resources, often without clear and consistent information to help them tackle their backlogs. Chelsea and Westminster Hospital NHS Foundation Trust (CWFT) is using Palantir software to improve data quality, manage their waiting list more efficiently, and accelerate patient care.

Clinicians and colleagues at CWFT have created a solution with Palantir Foundry that enables consultants, schedulers, managers, and data teams to work on a single, consistent waiting list and take action to streamline the elective patient pathway. A process that previously required manual validation of data across multiple sources, followed by patient prioritisation and theatre scheduling in other systems, now takes place within one solution in a matter of seconds.

Using Palantir Foundry, CWFT has improved patient care by reducing the waiting list through reprioritisation and validation, allowing faster and fairer focus to be paid to the patients in greatest need. Clinicians spend less time managing spreadsheets, and more time connecting with patients. The solution has achieved the following results:

- Inpatient waiting lists (RTT and non-RTT) have been cut by circa 28% through data validation and better clinical oversight.
- Booking lead times for surgery have improved by almost two weeks, meaning that patients can be notified to come for surgery earlier, reducing cancellations due to staff or patient availability.
- Over a three-month period, touchtime utilisation increased by 13%, meaning that CWFT hospitals are more efficiently using operating theatres - ultimately allowing more patients to be cared for.

3. Joint Air Quality Unit appoints Informed Solutions to deliver digital CAZ service

The Joint Air Quality Unit (JAQU) works in collaboration with the Driver and Vehicle Licensing Agency (DVLA) and Local Authorities to influence changes in motorist behaviour that will lead to reductions in transport related Nitrogen Dioxide (NO2). The Clean Air Zone (CAZ) Framework permits Local Authorities to implement Charging Clean Air Zones as a measure for achieving this. When entering a charging CAZ, a vehicle will be subject to a monetary charge if it does not meet certain EURO emissions standards.

Informed Solutions was appointed by JAQU to be the lead delivery partner and national service manager for the CAZ Service – the national digital service that provides the infrastructure necessary to implement Charging CAZs.

The Central CAZ Service is an AWS-hosted digital infrastructure with exacting non-functional requirements for security, availability, elastic scalability, and resilience, managing millions of journeys every day.

Critical to success was implementing secure data exchange between multiple public bodies and the design of an outstanding user experience following Government Digital Service standards.

The service needed to be delivered within demanding timescales to meet public ministerial commitments and so adopted an accelerated delivery approach based on the scaled-agile methods of the Queen's Award winning InformedTRANSFORM© framework. Working together, Informed Solutions, the DVLA and JAQU successfully support, maintain and continually improve the CAZ Service.

4. Improvement Service works with Yoti to streamline digital identification service

In 2014 Scottish improvement organisation for local government, the Improvement Service, launched a single sign-on portal that gives citizens access to different online public sector services with one username and password. Through myaccount, citizens could create an account to do things such as pay council tax, request a parking permit or pay for school meals. But for services that required a higher level of identity assurance, citizens had to attend an office with ID documents to prove their identity in person. The Improvement Service wanted to allow citizens to prove their identity from within the myaccount and securely re-authenticate themselves to access services from multiple service providers.

Yoti was chosen as the official digital identity provider for the Improvement Service, thanks to its digital identity app whis seamless digital experience and reusability across platforms and services.

This was added as a second registration method on the myaccount portal, allowing users to verify their identity by scanning a QR code with their Yoti Digital ID. They can use this same method to authenticate themselves when signing back into the platform, sharing a unique identifier and a biometric face scan.

With Yoti embedded into the myaccount portal, people can prove who they are digitally during the registration process. This seamless digital experience reduces the account creation steps from five to two, and removes the need for manual data entry. Using Yoti to sign in to myaccount offers a high level of security that protects accounts with 2FA biometric authentication rather than username and password. Citizens can use their Yoti Digital ID to securely authenticate themselves online to gain access to other services, such as the National Entitlement Card (NEC).

5. Aberdeen City Council teams with Microsoft to upscale and redesign services

Aberdeen City Council – one of Scotland's largest local authorities – is using the Microsoft Cloud to transform its social care services by designing a new ecosystem in partnership with its own social workers. The council has been working with Microsoft to drive a cutting-edge programme to upscale and redesign services for 230,000 people in the area.

Microsoft's Dynamics 365 is being used to bring adult and children's social care data and workflows together in one place, where staff will be able to record, share and analyse information with greater ease, supported by automation.

Previously, around 80% of workloads were "off system", but the new solution means all casework will be recorded through one simple portal, using Dynamics. It has been designed completely by Aberdeen's social workers for their colleagues to use – from the frontline to the back office.

The solution will help practitioners manage complex cases and make it easier to record casework and access high quality and comprehensive data to support individuals, while partner agencies can also access the system and share information.

The future integration of machine learning and AI will move the service from reactive to predictive care, allowing the council to allocate resources more effectively and spare families from crises through early intervention and prevention.

Google Cloud

6.EMBL-EBI selects Google Cloud as a strategic cloud partner

Hosting the world's most comprehensive set of freely available and up-to-date molecular data resources, EMBL's European Bioinformatics Institute (EMBL-EBI) chose Google Cloud as a strategic cloud partner in December 2021.

As part of a new, comprehensive, five-year partnership, EMBL-EBI will tap Google Cloud's innovative technologies and global infrastructure to accelerate the pace of service delivery to its global user community, which includes research labs, pharmaceutical companies, academic institutions, and more.

EMBL-EBI hosts a range of open data resources for the life sciences community, spanning genomics, proteins, chemical data, and more. These data resources are freely and openly available for anyone to use, similar to a digital public library. This approach supports open science and speeds up scientific discovery on a global scale.

EMBL-EBI will use Google Cloud's cloud infrastructure and services to accelerate the processing of data from the community, providing more value for researchers and stakeholders, and delivering new insights through EMBL-EBI's data resources.

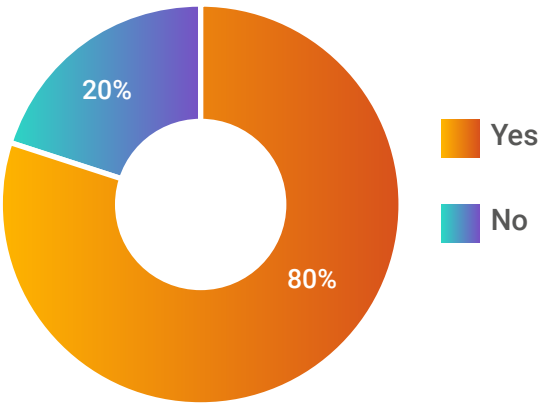
Additionally, the partnership between Google Cloud and EMBL-EBI aims to use analytics and machine learning to glean better insights from data to help speed up the pace of scientific discovery and to distribute these insights globally.

Chapter 2: Government commercial function

2.1 Assessing government's commercial capability

We asked tech companies whether, in their view, the level of commercial knowledge and understanding of data and tech within government has improved in the last 10 years. Eight in ten (80%) representatives from companies interviewed thought that the public sector's commercial knowledge had improved.

Has the level of commercial knowledge and understanding of data and tech improved in the last 10 years?



Functional leadership and understanding of digital has improved but must keep pace with a fast-moving market

Suppliers noted in particular a strengthening of functional leadership over the last decade, with one respondent noting:

"The advent of the Crown Commercial Service has professionalised commercial teams – and the government should be credited for that. We have also seen people with an industry background come into the commercial service as well. That is encouraging and government should be encouraged to continue with that."

Others noted specific improvements in the ways that commercial teams approach digital projects. For example, a strategic supplier said that: "There's definitely a greater understanding of cloud and the desire to harness the benefits that cloud would bring, and SAAS Type services would bring rather than trying to implement it all yourself."

Yet despite this broad recognition that government's commercial knowledge and understanding of data and tech has improved, many noted that there is still more room for progress, and certainly no room for complacency in the fast-moving tech market

"The government's understanding of how to work with mid-tier and small suppliers has improved," according to the respondent from an SME providing DDaT services. However, they continued: "It is such a dynamic marketplace that it is hard to keep up, and they are totally stretched. Even if you'd love to take advantage of the latest thinking, you'd love to take advantage of all those really interesting suppliers that will give you a better relationship and more strategic relationship and better value for money and things like that – but you just might not have the capacity or the capability to do so again, and the risk is that you retreat back into old ways of working."

Commerical models also need to adapt to modern technology solutions

Similar comments were made in reference to new commercial models such as SaaS providers.

"The challenge for the government is ensuring that procurement rules and strategy keeps up with modern technology-delivery methods, such as software as a service. And that frameworks and terms and conditions reflect new best practice," said the respondent from one strategic supplier.

Another strategic supplier noted that if commercial practices do not adapt to new digital models, there is a risk that they will undermine attempts to bring innovation into government: "If you want to deliver projects incrementally in an agile manner, and then you come out commercially asking for milestone payments and various other things – which are not really akin to the way of working for delivering agile and incremental projects. It kind of misses the point. It is like they have not really thought through how they want to work and how they want to operate. And I think there's still a huge education process that has to go on."

One large supplier agreed that while commercial capability has improved, this has been "not nearly to the extent required." The supplier suggested there is still a lack of ability to understand what the market already offers and run outcomes-focused procurements which evaluate existing capabilities in terms of their ability to serve the outcomes. "Time and again, we see agencies go to market having already predetermined, for example, that the only way capability can be delivered is by custom building it – completely bypassing the capabilities available in the market. And that is as much a commercial failure as a technology failure," the supplier suggested.

Consistency and collaboration will drive improvements deeper into government

And of course improvements in the central procurement teams and certain departments are not always reflected in all parts of government. Suppliers noted that the calibre of commercial teams is still inconsistent and called for continued education to help procurement professionals work more effectively with digital colleagues.

"We still see some really strange things in tenders," said the respondent from one SME. "We still see language that is not really used in the sector, we see pricing structures that we find quite odd, we still see things that would give the impression that they don't really understand how this operates in the live world outside of government. There's still quite a lot of imperfections in that process."

Again, suppliers felt that they can offer a supportive role here. As the respondent from one large supplier noted, it is the job of private sector account managers to understand their clients, and they can reflect this understanding back to government. The supplier explained his teams will "navigate their customer to find the people who've got the business need, connect them with the people that have got the infrastructure opportunity, and then connect them with the funding, to help the customer achieve their transformation".

"By being more open with the suppliers," he said, "those [managers] can often initiate those conversations between business [units] and procurement." In doing so, suppliers can help to ensure that procurement teams understand the business need, and public sector organisations are more likely to end up buying a solution that meets their requirements.

2.2 Tendering with the UK government

In this section, we look at some of the areas that suppliers believe have become more important in the tendering process.

The reflections of our respondents came shortly ahead of the unveiling of the new Procurement Bill, which aims to reduce bureaucracy and simplify procedures for both buyers and suppliers, while also improving transparency and making it easier to exclude providers that break the law or fail to deliver.

There is a genuine and increasing focus on criteria beyond cost

A general consensus of the current landscape is that government has begun to prioritise value over cost in many areas. "Clearly, government is not a bottomless pit, but it also has to be able to get true value from the contract," said one large supplier, and most respondents thought that departments are considering value above cost more often than in the past.

Linked to this, several suppliers noted that buyers are focusing more on quality and technical aspects of a tender.

"We have actually seen more recently – certainly the last year or two –less of an emphasis on pricing evaluation marks, with a bit more emphasis on the technical and quality side of things. In our view, that's a positive thing," said the respondent from one strategic supplier to the government.

When it comes to these technical and quality criteria, companies highlighted cybersecurity and accessibility as criteria which have gained more weighting in tenders, though several noted that there is still more which could be done in these areas.

One large supplier described the Cyber Essentials scheme – required for all vendors bidding for software deals as "great and is a good start" but added that it "is not particularly comprehensive, it is basic level, and the problem is that the government has nothing else beyond that."

An SME respondent added: "A positive [development] that we have seen is the focus on accessibility. So, this is meeting the WCAG standards or other accessibility requirements levels, and that's something that we're looking at across all of our services in terms of how this meets the needs of people with different disabilities - visual, auditory, cognitive, or motor. Those are global guidelines, and they have been picked up on the frameworks."

The head of public sector in one large supplier added that while certifications and technical competence have been "key for many years", the relatively recent criteria of social value and

sustainability are “increasingly attracting higher evaluation marks.” (See section 2.3 for more on social value)

Pre-tender engagement is increasing but could be more consistent and higher quality

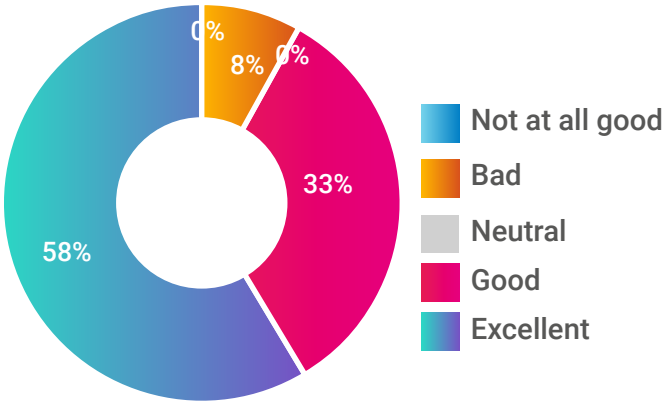
In terms of the process of tendering, suppliers observed a greater use of pre-tender engagement mechanisms, perhaps reflecting the general trend towards a more open and collaborative approach from government. And respondents were overwhelmingly positive about the benefits of these early engagements both to set the right scope for projects but also to help private companies best meet government needs. “If you cannot understand the ‘what’ the ‘why’ and the ‘how,’ then you cannot produce compelling responses to tender opportunities,” said one large technology company.

However, as with other areas of improvement, suppliers encouraged government to build, rather than rest, on this progress. They called for more consistency across departments – with some making much better use of pre-engagement than others – and also encouraged government to be more innovative and even demanding in the way it deals with suppliers. One large supplier pointed to the potential of pilots as a way to demonstrate that not only could contractual requirements be met, but those would lead to the right outcomes for the public. “Industry should be held accountable to provide very low-cost, very low-effort pilot schemes: you shouldn't have to go into a two- or three-year programme to realise it's not the right vendor. So the more that industry can do to lower the cost of these pilots, the better,” the supplier said.

Suppliers must make a concerted effort to understand tendering processes, and most feel they do this well

We asked participants about their organisation's level of understanding of the public sector tendering process as well as how well they understood the requirements/criteria for government assessments when selecting digital suppliers. About six in ten (58%) said that their organisation's understanding was 'excellent,' whilst a third (33%) thought it was 'good.' Only a small 8% said that their understanding of the government's tendering process was 'poor.' During our in-depth interviews, suppliers noted the time and resources which go into achieving this level of understanding, indicating this is not something which reflects a simple and easy-to-understand process but rather a concerted – and business-critical – effort from suppliers.

Suppliers' understanding of government tendering processes, selection requirements/criteria



Q. How would you rate your organisation`s level of understanding of the tendering process and the requirements/criteria for government assessments when selecting digital suppliers? N: 12

2.3 Social value in public sector procurement

Public sector organisations have been required to consider social value when awarding contracts since 2013, though there has been a particular focus on increasing the impact of this policy in the last two years. When asked to discuss this social value requirement, suppliers raised concerns about the application and interpretation of the policy, but also sent a clear message of support for its aims and impact.

Suppliers applaud government's focus on social value, and it has changed how they do business

One SME supplier summed up many other responses, saying:

"First of all, it's a very positive thing – and industry, in general, fully supports government's ambitions to improve social value. And I think one of the one of the concerns we've got is making sure that it's measured in a coherent way across industry. But government's probably achieved its initial aim – in that it really has got the industry think about how it can improve social value. It's a very serious thing, and it's a commendable thing."

Several respondents said that they have made or are considering changes to their business in order to better meet social value requirements. One large company who have already set up a social value and sustainability team said they wanted to "build the quality and capability in this space to further enhance the quality of our responses and economic impact of including this in our bids."

Another large supplier said that while their company has a global social value team sitting within their CSR function, they are considering whether to set up another within the sales team and is focused on delivering the requirements set

out in contracts. And a strategic supplier set out how they have aligned their social value strategy to other business goals, and use a portal to "measure, quantify and govern our social value commitments".

These examples show not only show the impact of government's focus on social value but support the view of one supplier that government should not think of itself simply as telling the market what to do in this area. Rather it should recognise suppliers are strongly motivated to deliver the social benefits which government is seeking and engage with those companies to improve how it approaches social value.

The implementation of social value requirements must be carefully considered to avoid unintended consequences

The challenges raised by suppliers in relation to social value varied according to their size. For larger suppliers, there was a question of how to align existing company-wide social value efforts with contract-specific criteria, and a concern that government requirements might undermine existing schemes around corporate and social responsibility. One large provider said:

"We are starting to see unintended negative consequences, where social value obligations are undermining firm-wide ESG (environmental, social and governance) investments that companies are making. Social value obligations apply contract by contract. And so some software vendors are cutting back their firm-wide ESG obligation."

A strategic supplier spoke about a range of existing schemes to support skills development and community building, and then noted that for them the challenge is to focus on using some of those activities to win business "but not devalue the other stuff that we're doing anyway because we've got the size to do it, it's getting the balance right, certainly around social values."

Both large and small organisations raised concerns over the cost of business and resulting barriers to entry rising because of having to meet social value requirements. "There is a risk that social value requirements will raise the barriers to entry, particularly for SMEs, and will raise costs for the public sector as lenders pass the cost of social value obligations back to the public sector through the customer. And that it will have these detrimental effects without actually significantly moving the dial on any of the social value missions that the government has in mind," noted the respondent from a large technology company.

Buyers need support to improve how they define and evaluate social value

Even among the SME community, suppliers felt that taking a contract-by-contract approach to social value may not give the results government is aiming for. As one explained: "The questions are asked on a per-contract basis. Whereas what you want to know is really about the company and what it does as a whole. And, of course, proportionately SMEs spending a lot more on this than large groups. We don't mind doing it – because we were doing it anyway – but it is something that hits us probably more than the large groups, I'd say."

Alongside these challenges for suppliers, respondents noted that there is need for more training among public sector buyers to improve the overall value they can achieve through the policy.

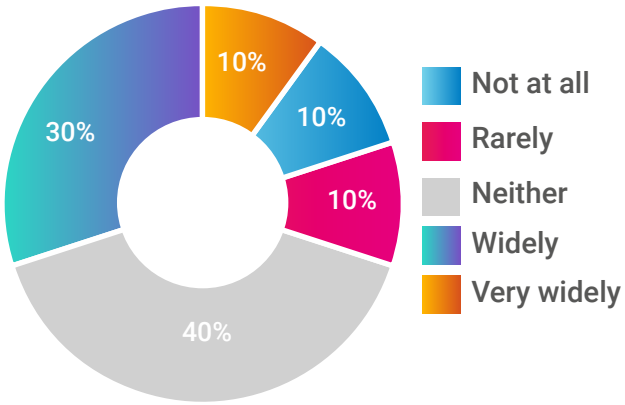
"It's causing challenges for the buyers who, despite training, have not grasped the concept," observed one large vendor. "So they haven't got a good handle on choose your theme, choose a MAC (a model award criteria), and make that

specific to what your view of delivering good looks like. You're still seeing examples where the question is: the PPN says social value, tell us what you're going to do? There is more to be done to streamline and improve."

2.4 Frameworks, playbooks and model contracts across government

Suppliers reported that frameworks and playbooks are generally followed across government, but during our in-depth interviews participants observed that frameworks are more widely followed than playbooks, which are a newer development in government.

How widely are frameworks and playbooks followed across government?



Q: In your experience, how widely are frameworks and playbooks followed across government? N:14

The benefits of frameworks could be undermined without central oversight

All participants were broadly positive about the use of frameworks, noting that they improve the buying process for both customer and supplier, but there was also a strong concern that there are now too many, overlapping frameworks, which re-introduces complexity and cost for suppliers.

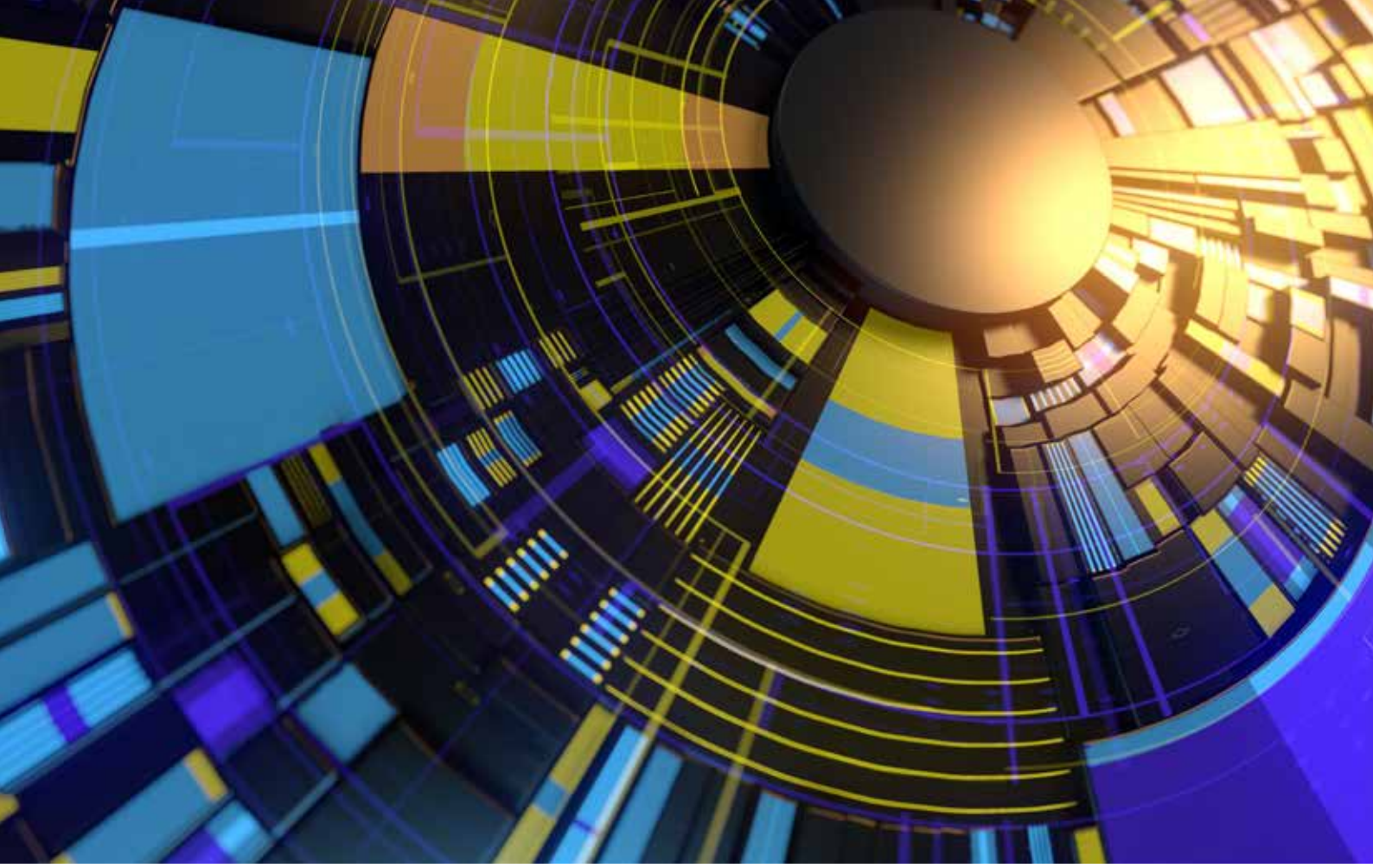
Summarising the benefit of frameworks, one strategic supplier noted that:

"Frameworks are followed very, very widely and actually over the years CCS in its various guises has done a really good job with some of its frameworks. There are frameworks here that really hit the mark for government customers, and really helped them to do procurements in a much fairer, quicker way. Playbooks are followed less, particularly the further out of the centre you get."

However, not all suppliers found that frameworks were used consistently, with one SME supplier saying: "We are on G-Cloud and on the Digital Marketplace. Before we joined them, we thought this would make things very simple. We have not found that it has made things very simple. We thought once we have been signed up, it will be much more straightforward, and things would come directly to us, and we would be alerted. But we haven't found that at all, we found it's still quite fragmented, you still often don't find out about things till the last minute, or you find that they're on some totally different framework."

Commenting on the proliferation of frameworks and consequent risk to the procurement landscape, an SME supplier said:

"We all use frameworks – and they have been very good for us, actually, because we think we're a good, well-run company. Frameworks have given us a good opportunity to show that we are well-run, well-governed. The use of frameworks is very good to try and reduce the field a bit and have pre-qualified suppliers. We have always been strong fans of frameworks. But there are just too many of them – and they overlap. You spend all this time getting onto one and then nothing comes through it. Technology Services 3, the new Digital Specialists and Programmes, Digital Outcomes and Specialists, Software Design and Implementation Services – they're all overlapping and there's just too many of them."



This concern was echoed by larger firms, too, with one strategic supplier commenting that this reflects a lack of joined-up working and the belief in some departments that a shared-approach will not suit them. “My biggest concern at the moment is the fact that every government department is running a procurement framework. There is a great example in MoD at the moment called DIPS – the Digital and IT Professional Services framework. To get yourself on a lot will have taken two years, for services that they could buy through CCS. And it is all because each department wants to keep control of their framework and their go-to-market vehicle, which to me, does not seem quite right. The cost of sale is getting out of hand.”

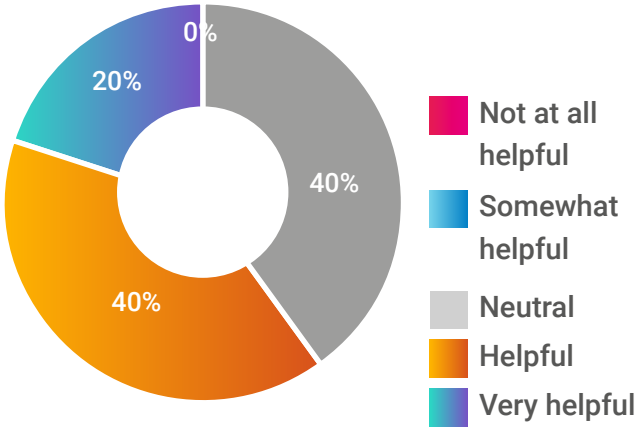
A large software supplier noted that the UK stands out for its enthusiasm in this area. “We work across a number of public sector markets and the UK’s obsession with frameworks is quite striking. Over the decades, the UK has just added more and more complexity into frameworks. The UK public sector has reacted to the perceived bureaucratic nightmare of OJEU requirements by creating all these frameworks, ostensibly with the objective of actually making it easier for public sector buyers to run processes. But what they've actually done in creating just so many frameworks are established all these new barriers to entry, particularly for small and medium sized firms. We sell fundamentally the same two products through four frameworks – and there are about 15 frameworks that we could potentially be on, in order to sell the same software to the same customers.”

The respondent from another large company concluded that: “What we need to try and do is find a way of ensuring that we don't see government departments or the wider public sector creating frameworks when it's not necessary and remove duplication and try to use central frameworks as much as possible.”

Model contracts should be updated to reflect new technology models such as cloud and Software as a Service

Another way to streamline procurement is through use of model contracts. Overall, private sector suppliers find these helpful, as long as they are well-used.

How helpful are model contracts?



Q: How helpful are model contracts? N:11

"If you think of them in the broadest sense, it's the easiest way possible to contract at pace," according to the respondent from one large supplier. "Because if the model contract is always used, and your legal team has reviewed it once, it's the same every time. There is a whole set of additional services clauses run across these contracts. But if you're on the framework, and you're using a model contract, you can be pretty certain that you can transact. So yes, it is removing logjams."

There were varied responses as to how much adaptation was appropriate when using a model contract. Some suppliers noted that changes might undermine the aim of driving good practice. One strategic supplier explained: "We welcome model contracts. But we still see terms in contracts coming out that are different to the model contract. For example, there are still unlimited liabilities, for example, in certain contracts. The model contract says there is not to be such a thing as unlimited liability. So, in principle – absolutely great. But the implementation has been slightly more variable."

Others pointed out that when model contracts have been designed for different types of procurements – such as outsourcing – it becomes impossible to use them for modern technology projects without negotiation.

"Many problems come back to contracting that is based around outsourcing services type contracts," said another strategic supplier. "They're not based on buying a service or somebody delivering from their own data centres, for example. So we expend a huge amount of energy between private sector and government bodies negotiating points around that contract."

The supplier called for a review of model contracts to ensure they are suitable for cloud or SAAS engagements, which would remove the need for these negotiations.

3.1 Digital delivery of public services during the pandemic

Government's rapid deployment of remote working and move to remote working and introducing new digital services during the early months of the pandemic impressed tech suppliers. "I think it demonstrated that the civil service can move at speed when it needs to," said one SME respondent, pointing to the "fact that, for instance, HMRC moved from having 70,000 workers all pretty much office-based to setting up working from home as rapidly as it did. There were some teething problems; but a few weeks for a 70,000-employee organisation is really impressive. I think it demonstrates that they can move with that pace in terms of the digital systems."

Government demonstrated agility and openness as it responded to the pandemic

One large supplier described how government "took away the barriers and did what was needed to be done, particularly at the local level" while another observed: "Our customers didn't seem constrained in procuring what they needed to enable their business to continue to function – it seemed to us from the outside that, without it being government policy, the government was supporting its departments in enabling people to work from home or for business to be continued by further embracing digital."

Suppliers also noted that this speed was accompanied by a positive and pro-active attitude towards suppliers. The respondent from a large company recalled that "In spring 2020, government definitely understood very quickly how important digital would be to them. We saw them reach out to certain companies very quickly and engage with them.

"They understood the power of some of the platforms, they understood that they required technology to overcome the huge challenges we had back then."

This praise was not just for central government. "Local governments did a great job of being able to continue all of the statutory requirements of local government including council meetings, by moving them online and driving them virtually in a secure environment," said one strategic supplier, who added that: "We saw a transformation of healthcare services, a huge deployment of applications to allow people to check their testing status to check their vaccination status.

"I think across government there were some really good stories, but at the local level, local government organisations, local health boards: the collaboration they developed, and the way that they worked with local community groups who were supporting people that I think was really impressive"

Despite all of the positives, there were some observations about what may have gone better One strategic supplier felt that government was slow to respond to supplier offers of help in the very early days of the pandemic, despite good collaboration later. Another strategic supplier commented on the difficulties caused when data was not shared effectively, particularly between central and local governments.

Suppliers prioritised government contracts and reported improved relationships with clients

As noted above, suppliers felt that responding to the pandemic deepened and improved relationships with their public sector customers. They also described how responding to the pandemic was a critical priority for them in those months, just as it was for government.

This was particularly true for companies who directly supported remote working. One hardware supplier said they diverted all resources to support the public sector pandemic response in spring 2020. "My NHS team had daily meetings with my supply chain and product team," they recalled, and "every new PC that hit the shores of the UK went straight to the NHS. We prioritised frontline government services above all other contracts."

Private sector clients agreed to delay their own technology rollouts, they said, as did public sector organisations who were not on the frontline of pandemic response. "As a business, globally and locally, we had an absolute focus on enabling government to continue to function."

One strategic supplier said they adopted a "first responder mindset" and, because their own shift to remote working was so quick, they were able to focus solely on supporting clients across the public sector. "Our attitude was: anything our customers needed, we just got it done. And I think that really helped to strengthen the trust between our organisations."

This was reflected by other respondents, including an SME supplier who said: "With our existing clients, the pandemic brought us closer together. And I think a lot of good came out of that. I think it made everyone realise what you can do in a short amount of time, and the value that that digital can add."

- **Working together remotely brought benefits, but suppliers still value face-to-face engagements to maintain constructive partnerships**

However the same supplier noted that although new technologies can support good remote engagement, there will still need to be an effort to build relationships in-person.

"I think less face-to-face engagement may not be healthy in the long run," the respondent said. "I think government and suppliers need to double their efforts to get out there and get together again, to meet each other again, I think that's been the one disadvantage of hybrid working and remote working things is that engagement has gone down a notch."

Another respondent, from a large company, echoed the need to balance remote and face-to-face engagement across sectors. They said that sales teams had perhaps been able to increase the frequency of meetings with public sector clients – albeit virtual meetings - and that colleagues had found innovative ways to support customers such as using WhatsApp groups. But they said that engagement at senior levels still tended to happen in-person, and that retaining at least a semi-regular face-to-face contact would be important to build the collaboration which has enabled suppliers to support digital reforms in government.

3.3 Impact of geopolitical events

Our research took place in March and April 2022, amid economic and geopolitical uncertainty caused by rising fuel prices, continued supply-chain pressure and the Russian invasion of Ukraine. We asked respondents to offer their reflections on how this context might impact the way they engage with customers, and the progress of digital transformation within government.

- **Transformation could be put at risk by supply chain constraints**

Among all respondents, there was concern that a tough economic and fiscal outlook could at best slow-down and at worst jeopardise transformation in public services.

Some respondents were concerned about the impact of supply chain pressures on government projects, especially in the context of strict rules about when budgets can be spent. “One of the biggest challenges that we have is that there's still this money cycle where if budget is not spent by the 31st of March you lose the money,” said the respondent from a large supplier. “We've got a global supply chain challenge right now, and I have heard of contracts being stopped – transformation not being allowed to happen – because kit would not arrive before the 1 April.”

Another large supplier echoed this, saying “the continual supply side crunch will delay programmes from starting and successfully concluding and creating systemic change” while one strategic supplier felt that as costs increase due to inflationary pressures, and budgets decrease due to fiscal pressures, decisions will be slowed down because they will carry additional risk. “Inevitably the effect [of geopolitical concerns] will be slowing down, because decisions will be harder and more people will have to get involved,” they said.

“That's the nature of government, isn't it? If the ground is a little bit more shaky, or soggy they take longer to cross it.”

- **Cost pressures require active partnership with industry, and must be balanced with a holistic view of value**

The concern about rising prices and decreasing budgets was echoed by all respondents, and several worried that government would revert to focusing on cost, rather than value, for its digital projects. “We're already getting hints around the potential for a move back to austerity,” said one large supplier. “And that is going to increasingly focus to government organisations on the cost and the return on investment here and now. The problem with that is sometimes it can stop investing to improve services and reduce costs long term. So that would be my biggest concern, that actually government goes back to those days when they said: ‘We know we talk about value, but it's really about what's cheapest today and when we say value mean return on investment in twelve months’."

Respondents were sympathetic to the challenges faced by public sector digital teams, but called for a continued focus on driving reforms, and for continued transparency with industry.

"The government is having to think long and hard about, frankly, what it can spend money on," said the respondent from one strategic supplier. "Therefore, there will be a squeeze on some programmes because we really can't do everything. There needs to be an active conversation [with industry] about what are government priorities, and what needs spending money on. They must be candid with industry, because part of the problem is we keep hearing that a lot of these things are going to be continued. Inevitably companies will spend time and money trying to understand how they're going to progress and then, all of a sudden, the decision is made that something has to stop."

One counterbalance to these concerns was an appreciation of remarks made by Minister for Government Efficiency Jacob Rees-Mogg at the launch of the DDaT playbook, hosted by TechUK. At the event, the Minister said the playbook would support a "culture change across government in regard to how we approach commercial activity, with a focus on delivering best value for the taxpayer whilst driving sustainable growth across the nation."

He noted that while efficiency must be at the heart of everything government does, the savings achieved by the Government Commercial Function have been made in part by "making sure that our vendor base makes a sustainable and proportionate return on their contracts, and the government supports vibrant industry.

He continued that "profits – proportionate of course and in line with taxpayer interests – provide the investment for innovation the investment that is needed to make us globally world beating." Respondents invoked this spirit of constructive partnership to call for a continued focus on driving reforms, continued transparency with industry, and a continued recognition that a thriving technology sector will not only support transformed public services but sustained and sustainable economic growth.

Chapter 3: Thinking outside government

Pandemic Reflections:

1. DWP rapidly shifts to new ways of working with support from Computacenter

When the Coronavirus pandemic struck, half of the Department for Work and Pensions' 80,000-strong workforce were unable to attend their local office or provide a service from home without appropriate devices. During this period, new claims for Universal Credit, had increased by over 600 per cent.

Initially, DWP needed to equip 28,000 employees with workplace devices enabling them to continue providing critical benefits services remotely, working from home. As the pandemic unfolded, DWP needed to transform their offices to COVID-compliant work environments, support their next wave of business transformation with enhanced flexible working, and set up both new and temporary sites for Front of House support to the public.

DWP engaged Computacenter who, working within DWP's programme and alongside DWP Digital and Operations colleagues, rapidly supplied equipment to home-based users, building and configuring at rates of up to 1,500 laptops per day so that all required workplace items had been shipped within eight weeks. In June 2020, Computacenter – again working to DWP specifications and alongside DWP people – helped transform DWP's offices to COVID-compliant work environments, performing 37,000 office desk transformations and 59,000 builds of new devices.

In December 2020, Computacenter supported DWP's next wave of business transformation by building, configuring, and delivering another 16,000 mini-PCs and cleaning an existing 29,500 devices. Then, in February 2021, we commenced support to DWP's Front of House programme, standing up 200 new and temporary locations across the country by providing Cisco networking equipment, deployment services, and appropriate engineering resources.

During all phases of delivery, Computacenter has provided DWP with a flexible, consumption-based resource and services model, which played an integral part in the department's ability to support the public throughout the pandemic. Our resource flexibility also enabled us to meet rapidly changing demands, whilst still ensuring value for money.

Microsoft

2. UK's largest NHS Trust moves Electronic Health Record (EHR) system to the cloud with Microsoft

Staff at one of the largest and busiest NHS trusts in the UK have said Microsoft's Azure cloud has enabled them to take "massive steps forward" in using technology to help patients.

Leeds Teaching Hospitals NHS Trust (LTHT), which treats around 1.5 million people every year and employs more than 20,000 staff at seven sites, is currently moving its in-house Electronic Health Record (EHR) system – one of the key resources used by healthcare teams – from on-premise servers to Azure.

Every patient has an EHR, which is a digital record of their health and care, including things like medical history, diagnoses, medications, treatment plans, allergies, test results, scans and immunisations. The digital record is updated in real-time and used by frontline healthcare staff to inform treatment.

The development of the EHR was constantly responding to emerging clinical and organisational priorities, as the recent COVID-19 pandemic highlighted. Between 2015 and January 2022, the number of electronic forms completed per month has grown by 25,000 to more than 1.5 million. When the migration is complete, Azure will provide a resilient and scalable infrastructure to the EHR growing at this rate.

3. Leidos supports the UK military in the fight against COVID-19

During the height of COVID-19 pandemic, Team Leidos supported the MOD in the UK's battle against coronavirus, by assisting with the receipt, integration, storage and distribution of life-saving ventilators and associated ancillaries. Using the Defence Fulfilment Centre (DFC) at MOD Donnington, Team Leidos coordinated shipments of ventilators and ancillary equipment and delivered them to hospitals in need across the country.

In the last five years, Team Leidos (led by Prime Contractor Leidos and supported by sub-contractors Kuehne + Nagel, TVS Supply Chain Solutions, Leidos Supply and Agility) has helped to deliver lasting change to the UK MOD's supply chain through our support of the Logistic Commodities & Services Transformation (LCST) programme.

Team Leidos was able to respond rapidly to the call from the MOD for additional logistics assistance, with the team managing to get this complex operation up and running within just seven days of being approached, showing great flexibility in quickly establishing a unique stock control system and training the relevant teams to use it.

The ventilators and ancillaries arrived at the DFC from UK manufacturers across various industries as well as from overseas, typifying the fantastic community and collaborative spirit that has swept across the UK during this crisis.

FUJITSU

4. Fujitsu supports new trade support solution

In 2020, a consortium of customs and technology experts led by Fujitsu delivered the Government's most high-profile, post-EU exit border programme, the Trader Support Service (TSS), to ensure the flow of goods from Great Britain to Northern Ireland. Delivered in just three months during the pandemic, this revolutionary digital-first service now supports over 45,000 registered users, providing them with free education, training and practical support to do their customs declarations. TSS teams worked at pace to meet the deadlines set for the service and were able to scale up at speed to provide a good service from day one. Over 5m declarations have now been submitted using the TSS. We achieved our goal of delivering a service which enabled all declarations to be submitted simply and accurately within seconds.

All declarations are instantly received and accepted (provided they are correct) by HMRC and seamlessly integrated into all the relevant Government systems (ICS, CDS). Around 90% of declarations are processed in less than 15 minutes (even overnight, or at the weekend). Over 500 engagements with businesses and organisations have been hosted on a 1-2-1 basis, as well as over 250 seminars, reaching over 10,000 organisations and individuals. Collaboration with local ambassadors in NI has enabled targeting of different sectors, whilst there are over 50 user and step-by-step service guides on the Northern Ireland Customs & Trade Academy (NICTA) website, which have been downloaded more than 520,000 times.

5. Innovating with data — Dell supports Swansea University to fight a global pandemic

During the Covid-19 pandemic, Swansea University launched a major research initiative investigating the mechanisms that influence the transmission of the SARS-CoV-2 virus

To determine the potential spread of infections, the team developed algorithms, or mathematical models, that describe how the virus infects people and those they come in contact with. In this work, the research team members are essentially innovating with data by creating various "what-if" scenarios based on different assumptions.

The project was launched at the request of the Welsh government to create scenarios for the ways in which infections of COVID-could evolve in Wales, so that the government could better understand how to react to such potential surges.

For these computationally-intensive scientific investigations, the researchers tapped into the high performance computing resources of Supercomputing Wales, the national supercomputing research facility for Wales. Supercomputing Wales provides researchers across the nation with access to powerful computing facilities for science and innovation projects.

These systems — built by Dell Technologies and Atos — contain more than 13,000 cores, tens of terabytes of memory and hundreds of terabytes of high performance storage, all interconnected by low-latency/high-bandwidth networking.

At the heart of the Supercomputing Wales initiative is a Supercomputing Centre of Excellence spearheaded by Atos and Dell Technologies. This joint center provides Welsh researchers with a full suite of leading-edge high-powered computing (HPC) equipment, software and services. Along with the two supercomputer hubs, the center provides two Atos BullSequana S Datalake appliances.

Supercomputing Wales is facilitating a step change in supercomputing activity across strategically important sectors of the Welsh economy — including life sciences and health; nano-scale materials and advanced engineering; and energy and the environment. A commonality to these diverse domains is a shared need for leading-edge HPC facilities to drive computational science — and potentially life-changing discoveries.

Chapter 4: Lessons from suppliers work with their private sector clients

When we asked respondents to reflect on trends or developments in the private sector on which the government is either lagging or needs to develop more expertise, answers fell into two broad groups: the importance of hybrid working, and of exploiting data alongside advanced technologies such as machine learning (ML) and artificial intelligence.

Hybrid working presents another answer to addressing skills challenges

Private sector tech companies envisage continued 'hybrid working' across all sectors, while recognising that there will still be a need for face-to-face meetings which are more conducive to collaboration. They note that central government in particular seems to be placing a greater emphasis on office-working and observed that this will impact efforts to attract and retain skilled workers.

"For me the future of work is either fully remote or hybrid but with more 'collaboration spaces'," said the respondent from one SME, "so not having people sat at prescribed desks but having spaces where they can collaborate – spaces that are bright and where people want to go."

They noted, however, that this form of hybrid working should cross-departmental lines: "Government needs to collaborate to get things done so they need a hybrid model but more accessible across many departments." This echoes the aim of the Government Hubs model, in which organisations from across government and the public sector are moving into shared or co-located buildings across the country.

One strategic supplier added that despite the drive to co-locate and collaborate, there will not be a one size fits all approach: "There will be different attitudes and focus depending on the organisation – central government departments might take a different view to local government. But I think if you've got the right culture, and if you've got the right technology to support it, then actually it should enable greater delivery of products or services in a more flexible way."

Despite the experience of remote working, suppliers noted that government organisations seem to now be reverting to traditional models of work more quickly – and strictly – than the private sector.

As one large supplier explained that for them "One of the major benefits for us of hybrid work is that you output an almost inexhaustible talent pool. So, if I'm looking for a new person, a new sales resource they don't have to the based within 20 miles of the office." However, the continued: "You see anecdotally through the news the drive to get civil servants back into the office. Some companies – such as financial houses – are doing similar, and we are getting certain job roles back into offices, but we're also seeing in other customers and other companies more of an acceptance that a hybrid work environment – the idea of learning and working from anywhere – is becoming a reality."

And respondents noted this difference in working models will negatively impact recruitment and retention. "Anyone with tech workers now understands that they are even more nomadic, and can state what they want," said one SME respondent. "So tech workers within government – as within industry – are basically saying: 'We demand flexibility'. I think many government departments will have to evolve to hybrid working."

4.2 Data, AI and ML

Although suppliers listed the understanding and use of data as an area of strong progress within government, they also noted that there is much more which departments could be doing to harness data in designing and delivering services.

> **Increasing data maturity and confident collaboration will be fundamental to exploiting new technologies**

For example, one strategic supplier believed that government is "lagging behind in the application of artificial intelligence in public service delivery and making better decisions through machine learning and AI.

They said government needed to connect the dots between these techniques and the technology which will underpin them. "If we're going to deliver better faster cheaper public services, then getting all that technology stack – from connectivity and comms – 5G, 4G etc. into AI and applications is really important." They pointed out that to achieve this there needed to be better collaboration not only between government and industry, but across the public sector tech industry.

Another strategic supplier noted, however, that even before this the government needed to increase data maturity across many departments and agencies.

"There are some wonderful pockets of examples of things that are happening across the public sector from the AI and machine learning point of view," they said.

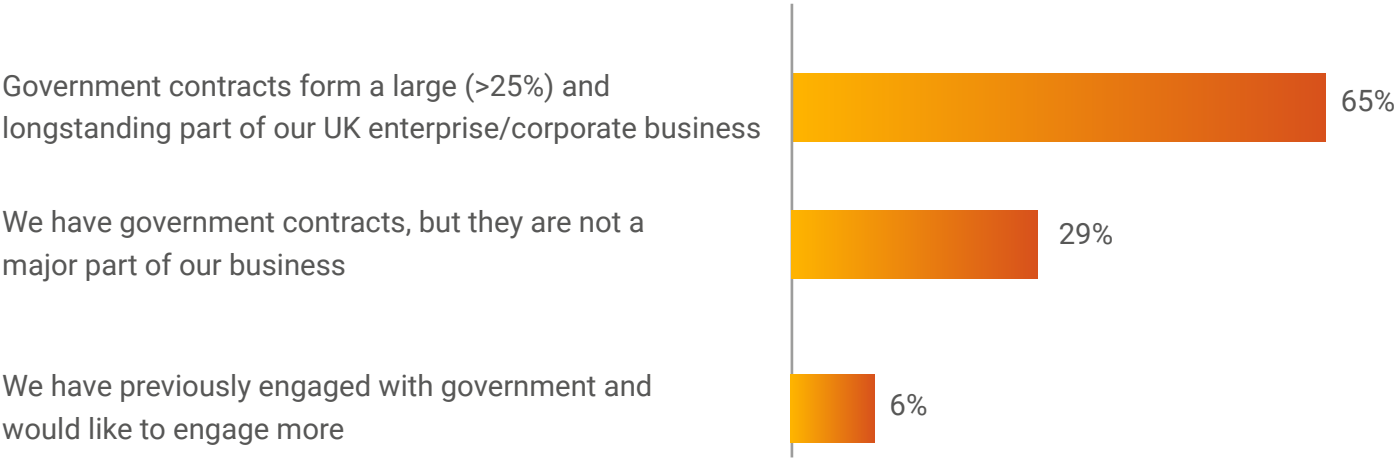
"The general challenge is that there is a maturity that still needs to develop around government's use of the data it has, and what it can do with it. So I actually don't think we should be worrying about this flashy thing that's happening in the private sector. I think there needs to be more effort on building out the foundations to mature the overall capability, because that allows you to do the things they need to."

Echoing the importance of constructive partnerships in achieving progress to date, one strategic supplier concluded that: "There's new technology being delivered and driven all the time. So I think it's important for government to understand the range of capabilities that are out there and be willing to engage and be guided around innovation. That requires digital leadership and understanding at senior levels, so they can understand how fundamental this innovation is to the transformation and public services."

Annex 1: Survey Profile

Level of engagement/relationship with government

Q | What is your current level of engagement/relationship with government? Base: 17



Products and/or services supplied to the government:

Q | What tech products and/or services do you supply to the government? Please select all that apply. Base: 17

Products and/or services supplied to the government	Percentage
Software (on prem)	41%
Software (SaaS)	41%
Technical services e.g. architecture, cyber, data etc.	41%
Hardware and devices	29%
Cloud hosting services	29%
Services supporting above (e.g. OEM supply)	18%
Application design, development, and management	18%
Commercial and contract support	12%
Telco and infrastructure management	6%
Others	24%

Annex 1: Survey Profile (cont)

Public sector bodies supplied to:

Q | Which type of public sector bodies do you supply? Please select all that apply. Base: 17

Public sector bodies	Percentage
Central government departments, agencies and NDPS	76%
Local health bodies	35%
Local emergence services	29%
Schools	24%
Devolved and local government	59%
Other (please specify)	18%

techUK
FOR WHAT COMES NEXT

About techUK

techUK is a membership organisation that brings together people, companies and organisations to realise the positive outcomes of what digital technology can achieve. We collaborate across business, Government and stakeholders to fulfil the potential of technology to deliver a stronger society and more sustainable future. By providing expertise and insight, we support our members, partners and stakeholders as they prepare the UK for what comes next in a constantly changing world.

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