

**CIPFA RESPONSE TO THE  
CABINET OFFICE  
CONSULTATION PAPER  
'TRANSFORMATIONAL  
GOVERNMENT – ENABLED  
BY TECHNOLOGY'**

February 2006



CIPFA is one of the leading professional accountancy bodies in the UK and the only one which specialises in the public services. It is responsible for the education and training of professional accountants and for their regulation through the setting and monitoring of professional standards. Uniquely among the professional accountancy bodies in the UK, CIPFA has responsibility for setting accounting standards for a significant part of the economy, namely local government. CIPFA's members work (often at the most senior level) in public service bodies, in the national audit agencies and major accountancy firms. They are respected throughout for their high technical and ethical standards, and professional integrity. CIPFA also provides a range of high quality advisory, information, and training and consultancy services to public service organisations. As such, CIPFA is the leading independent commentator on managing and accounting for public money.

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- 1 CIPFA is pleased to present its comments on the Cabinet Office's consultation paper *Transformational Government – Enabled by Technology* which has been considered by the CIPFA Information Technology Panel. The IT Panel was constituted to consider the ways in which ICT can help to transform public services and support good governance. The members of the Panel work in a wide range of organisations, both public service and the private sector and have considerable expertise in the fields of finance, risk management and governance, as well as specific IT skills and experience.
- 2 CIPFA warmly welcomes the publication of the Transformational Government report and strongly supports the vision and the broad thrust of the strategy that it advocates. The following paragraphs provide comments on aspects of the strategy where it is felt that more detail is required and signposts areas where CIPFA believes its members could contribute towards delivering this challenging agenda.
- 3 **A Joined-up Approach** – CIPFA would welcome more emphasis on the alignment of Departments and their delivery agents' IS/IT strategies. A timetable, requiring this within the SR07 bid's preparation and any renewal of Departments' five year strategies, for example, would be helpful.
- 4 **Addressing Infrastructure Issues** – It is CIPFA's view that there are a number of important components of the national infrastructure that require attention in order to minimise the risks to the successful outcome envisaged, including areas of omission and where the pace could be accelerated. These include:
  - (a) **Authentication and Identity Management** – the increasing reliance on electronic provision of services and remote access means that all public service organisations need quickly and efficiently to authenticate service users. It makes sense in terms of ease of use and efficiency of provision to have one system that can be used by all Public Services Organisations (PSOs). However, this has so far proved difficult to develop and implement with the result that many PSOs, especially local authorities which are responsible for a significant number of government's transactions with the citizen, have not been able to use the Government Gateway. CIPFA is aware of the proposals for the implementation and roll out of GovernmentConnect but concerned that the timescales for implementation will be too late for many local authorities and smaller agencies. We suggest that the timely implementation of a common system for authentication would be helpful and that this should be the primary aim.
  - (b) **Addressing** – PSOs rely on accurate address information to ensure, for example, that the police, fire, ambulance, social services and council tax bills can all arrive at the same property and share information about the services provided to that property. About 80% of public service records include an address element. There is, however, still no single, nationally recognised, national address database that can be used by all public and private sector organisations to verify addresses. As a foundational element of joined up government services, it is suggested that such a database is integral to the Transformation of Government envisaged in the strategy.
  - (c) **Data Sharing** – the ability to share data confidently between PSOs, whilst at the same time ensuring that citizens' rights to confidentiality are respected, is equally fundamental to the Transformation agenda. A coherent policy on data sharing would assist the implementation of joined-up government services and remove some of the complexities in the implementation of important reforms like children's services and the Bichard proposals. CIPFA would support any government investigations

into the options for developing data sharing policies and protocols that would support the vision set out in the strategy and reviews of the legislative framework that underpins data sharing and privacy.

- 5 **Learning from successful change programmes** – over the last five years there has been significant investment in ICT that has resulted in substantial changes in the accessibility, responsiveness and delivery of public services; particularly within delivery bodies (eg DVLA; local authorities). CIPFA agrees that it is now time to build on these achievements, to improve the efficiency of service provision and to continue to join up public services in ways that make sense to service users rather than suppliers. CIPFA members in a wide range of PSOs, including local as well as central government, and the private sector have been at the forefront of major transformational change programmes. Drawing on this talent from across the whole of the public sector as well as bringing in private sector expertise would support the leadership and delivery of this transformational change strategy. The CIPFA IT Panel would be pleased to work with the Cabinet Office to access this expertise and facilitate the involvement of more CIPFA members. Examples of areas where CIPFA and its members could contribute would include:
- (a) **Leadership and Governance** – building and delivering the transformational change programme will require not only leadership, but also clarity about responsibilities and accountabilities, coupled with robust governance structures. CIPFA helped create, and continues to support, the Public Management and Policy Association as a way of strengthening public sector-wide leadership and has supported the development of Good Governance Standards in Public Services.
  - (b) **Management of risk** – CIPFA members deal daily with the management of risk. Transformational change requires not only good programme and project management but also corporate risk assurance. Across the public sector CIPFA members have been developing effective corporate risk assurance frameworks that could be used more widely to support organisations embarking on transformational change.
  - (c) **Focus on business benefits** – transformational programmes are only of value if they deliver customer and business benefits. The business case should encapsulate these benefits. CIPFA, working with SOCITM via its network for Improvement through Technology, has issued guidance for local authorities on developing e-Government business cases. The CIPFA IT Panel plans to issue further guidance that embraces central government and the OGC Gateway process.
  - (d) **Strengthening public service professionalism** – understandably the strategy focuses on strengthening the IT profession. CIPFA supports this and recognises the trend towards outsourcing of IT services over the last 10 to 15 years. We also fully support the need to maintain a strong professional skill base with PSOs. CIPFA believes it has a role to play at the intersection of the IT, programme and project management, procurement and finance professions. This role will embrace many of the issues raised in the strategy including, leadership, governance, risk management, business case development and shared service implementation. It will also draw on the Institute’s long history of sharing best practice across the whole of the public sector and operating Continuous Professional Development (CPD) programmes.

- 6 **Accelerating the development of Shared Services** – the arguments in favour of much wider adoption of shared services across the public sector are very persuasive. We suggest that further work in the following areas may help to accelerate progress:
- (a) **Building a professional case for shared services** – the business case for shared services is made in the strategy. There is a parallel case to be made about improved quality of service delivery in key support functions such as finance, procurement, HR and IT. CIPFA recognises it can play a part in building this case and overcoming some of the perceived execution issues about developing shared services within and across public service sectors.
  - (b) **Building the capacity to deliver shared services** – the shared service model is relatively new to public services. Whilst some professionals are working in this way or developing pilots, adoption of this model across the public sector will require significant changes in working practices and attitudes. CIPFA recognises it has a role to help equip finance and allied professionals to drive this change.
  - (c) **Flexible Funding Models** – the public and private sectors are both going to have to look at new, more creative and more innovative models for funding and operating partnerships over the next few years. CIPFA believes that the Institute can play an important role in facilitating discussions about the development of these models and in assessing their longer term suitability.