

# CIVICA

Transforming the way you work

## Dialling Scotland in for digital success







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# Introduction

Renowned Scottish-born scientist and innovator, Alexander Graham Bell, triggered the analogue revolution by inventing the telephone in 1876. While his invention was borne from his dedication to assist those with hearing impairments, his work has pioneered our ability to communicate with each other around the globe.

Today, over 140 years on, we are living in a truly digital world and communicating at the touch of a button. While we have seen more change over the last four years than in the previous 136, our world today is one that Bell has helped shape and build. But for humanity, change is an ever constant.

Bell's Scottish descendants are carrying forward the next part of the revolution; setting the target to make the region a digital nation by 2020. In light of this digital drive, Civica brought together public sector leaders from across Scotland to discuss how the region can build on Bell's legacy.

This report, 'Dialling Scotland in for digital success' summarises the key findings from our senior public sector forum, and together with results from new research from Scottish local authority employees, helps identify the potential bumps and opportunities on the road ahead for Scotland.

"It's been over 140 years since Bell invented the phone, but we have seen **more change in the last four** than the previous 136."

**Chris Doutney,**  
Executive Director, Civica Digital



# Executive summary

Scotland has identified the economic and social benefits a digital nation can bring to the region. To support its digital drive, the Scottish Government has set a vision to be recognised throughout the world as a “vibrant, inclusive, open and outward-looking digital nation.”

Building on Bell’s legacy, the digital revolution is already taking hold. According to Ofcom, adults in Scotland today spend almost 21 hours a week online, with 63% accessing via a mobile device – changing the way people consume services and engage with organisations.

But while smartphone use is only getting more prevalent, public sector organisations still have some way to go before they are able to provide the services that consumers in this digital age have come to expect as standard – a view highlighted in our own survey as only 43% of local government employees believe Scotland will achieve its digital vision by 2020.

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“A digitally connected and skilled nation is a key component to achieving the mutually supportive goals set out in Scotland’s Economic Strategy of boosting competitiveness and tackling inequality.”

Scotland Government, 2017

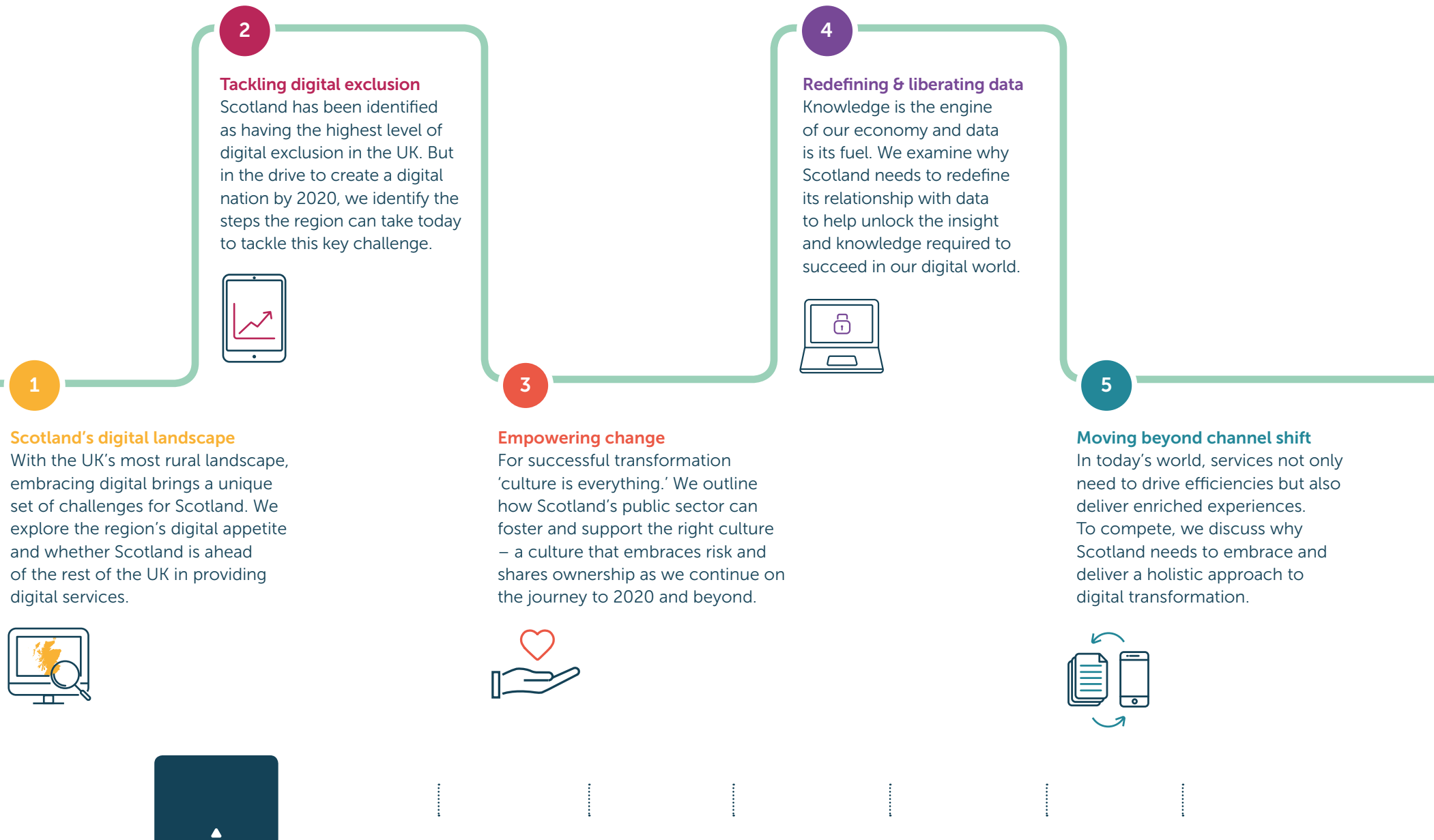
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Only **43%** of local government employees in Scotland believe the region will achieve its vision of becoming a digital nation by 2020.





But with the vision still in reach, public sector leaders and employees across Scotland joined us to discuss the challenges and opportunities that lie ahead. In this report, we look more closely at:





## Scotland's digital landscape

While the political landscape in Scotland is in flux like the rest of the UK, the public's appetite for technology is set to remain and grow in the years to come.

In fact, according to [Ofcom](#), Scotland is now a 'smartphone society', with 60% of Scots considering themselves 'hooked' on their connected device. The drive towards mobile is, in large part, due to Scotland's socio-economic and vast rural landscape – meaning that many throughout the region struggle with traditional internet access and so rely on smartphone connectivity to access the web.

But as Keith Brown, Cabinet Secretary Economy, Jobs and Fair Work, outlined in the government's '[Realising Scotland's full potential in a digital world](#),' report "digital isn't optional."

Well aware of this, the government is improving and extending [broadband and mobile networks throughout the region](#). In addition, a new Digital Growth Fund and digital schools programme have been launched to support the growth of digital skills in the region – initiatives which are helping keep the region's digital skill level ahead of others in the UK.

"We now have the highest level of basic digital skills out of any of the four countries in the UK."

**Colin Cook,**  
Director Digital, Scottish Government

### In Scotland today:

**87%**

of households  
have access to  
the internet

**81%**

say the internet  
has made their  
lives easier

**£4.45bn**

contributed to  
GVA in 2014 by  
digital sector

**64,100** employed in the digital sector in 2015

**21 hours** on average are spent on the internet in Scotland each week

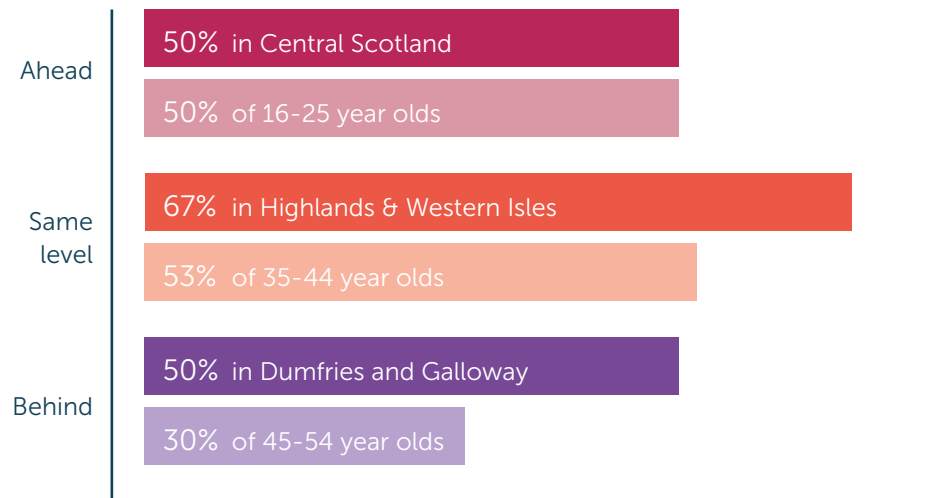
**50%** say if they couldn't access the internet they would feel out of touch

**83%** of properties are able to get superfast broadband.

## 1 Embracing the digital revolution

Public sector organisations are firmly embracing the digital revolution. **In providing digital services our survey found that local government employees view Scotland as on par (37%) or ahead (29%) of the rest of the UK.** However, a strong difference of opinion in both region and age was also revealed.

### Is Scotland ahead or behind the rest of the UK?



"We are four or five years behind the rest of the UK in terms of how much money is coming into the system."

**Andrew Kerr,**  
Chief Executive, Edinburgh City Council

## 2 But there's still a way to go

While progress has clearly been made, there's still a way to go. To address the gap, it's useful to identify the key factors driving transformation in local government across Scotland.

Budget cuts may not be as aggressive as those experienced by their peers south of the border, but our research found that the primary driver is still to save money.

### Primary reasons for transformation in Scotland:



**63%**

forced to  
save money



**12%**

government  
regulation and policy



**11%**

citizen demand  
and expectations

While digital transformation is firmly on the agenda, there's still more work to do. One of the main hurdles to overcome is digital exclusion, as without fully involving and connecting the majority of citizens, the region's digital aims will be difficult to meet.



## Tackling digital exclusion

Whilst basic digital skills are high, Scotland's beautiful, but equally disperse and vast landscape has helped make it the most digitally excluded region of the UK, according to Get Digital.

In fact, 18% of adults in the Highlands have never been online and 37% of households in Scotland do not receive broadband speeds of at least 10mb, compared to only 5% in many of the cities.

**Digital exclusion is one of the great social challenges of our generation. But it's not just a connectivity issue.**

A recent government report identified that 15% of working age adults in Scotland are currently living in relative poverty; affecting their ability to get online. What's more, others lack the confidence and basic online skills to get things done on the web.

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**69%** of the local authority employees surveyed believe that digital exclusion is higher in Scotland than the other UK regions.

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Connecting all citizens to our digital society is critical for the region. While more needs to be done, Scottish authorities can take a leading role in tackling the issue.



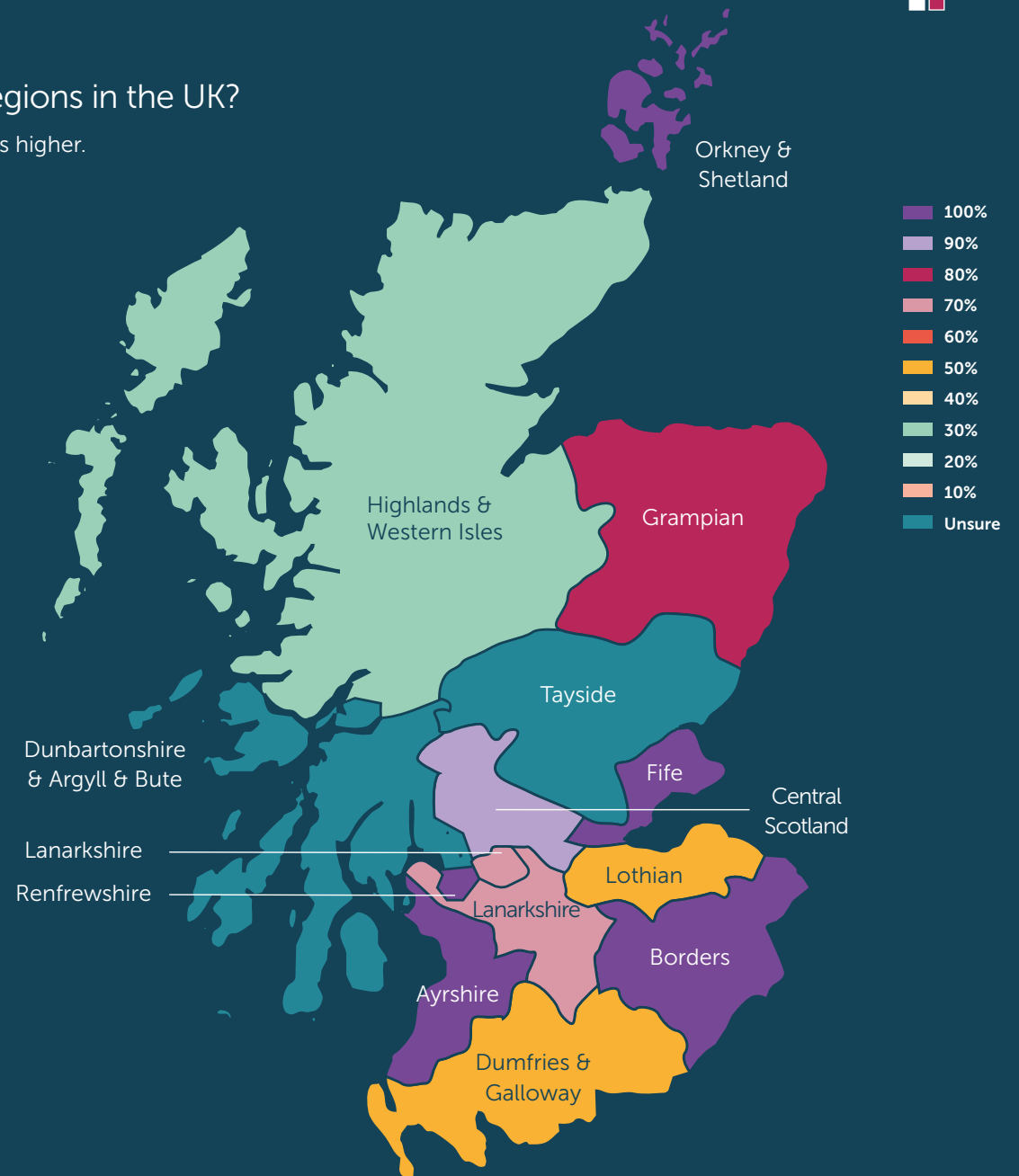
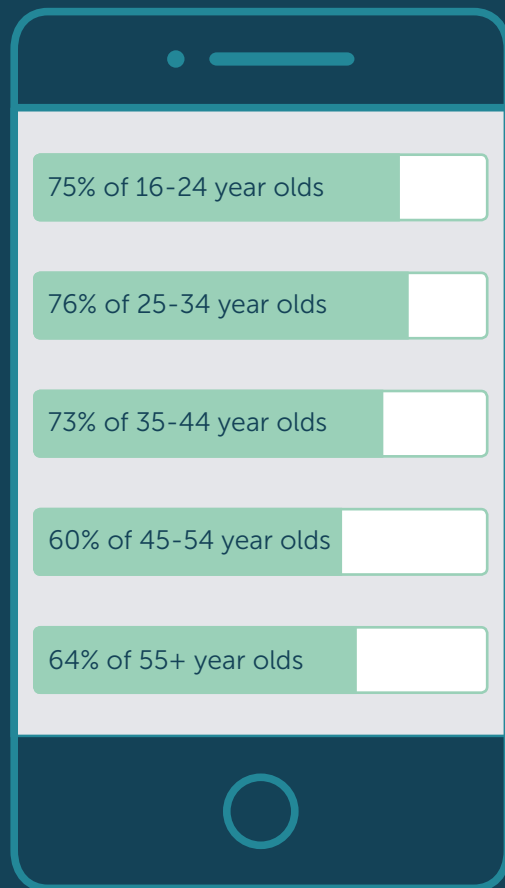
"Ensuring that all citizens are included and confident in the digital society that Scotland will become is critical to the future of a fairer Scotland."

Scotland Government 2017



## Is digital exclusion higher in Scotland than other regions in the UK?

Survey respondents who agree or strongly agree that digital exclusion is higher.



## 1

## Breaking down barriers

Our research confirmed that the biggest challenge for Scotland to achieve its 2020 vision is digital connectivity (44%). While improving infrastructure will boost the digital reach, other exclusion barriers need to be tackled head on.

The digital exclusion heatmap, created by Get Digital, shows several contributors to digital exclusion, including social factors such as age, education and income, as well as digital indicators such as access to fast broadband and 4G connectivity.

The last few years have seen an increasing recognition of the role that authorities have to play in boosting digital education. However, the challenge in Scotland is not to just move services online, but to redesign services based on the requirements of local communities.

**This is crucial, as 31% of those we surveyed believe that low income and affordability to get online is the main reason behind digital exclusion**, while a further 29% confirmed it is due to a lack of education.

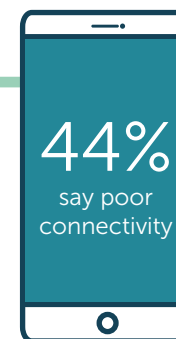
Recognising their diverse range of citizens, from Generation Y & Z (immersed in digital from birth) to the growing elderly population, the public sector in Scotland must work with citizens to improve online access and deliver services that suit localised requirements.

"We want to make it easy for customers to access the services themselves, whilst also accepting that some of our customers either can't or don't want to."

**John Muir**

Customers & Business Change Manager, Communities & Partnerships, Stirling Council

**Biggest challenges to delivering Scotland's 2020 vision**



## 2 Five ways to tackle digital exclusion



1. Scale up digital inclusion programmes in rural areas.



2. Continue to invest in their digital infrastructure  
– working with Government and other partners.



3. Build an understanding of their communities  
– who is not using the internet, and why.



4. Build engaging and integrated omni-channel digital services.



5. Educate and train citizens in use of digital services.  
E.g. providing community hubs, education days in local libraries, further digital education in schools.

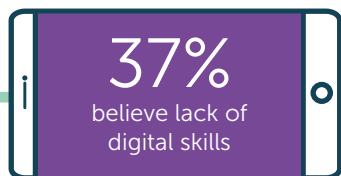
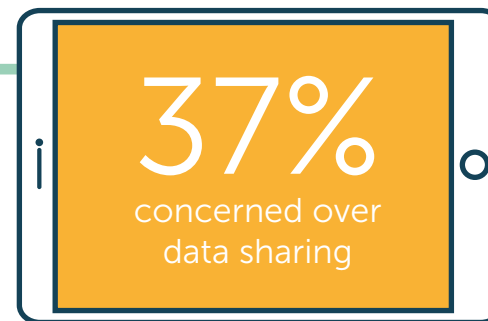
Encouraging citizens to interact online means public sector organisations can better understand and deliver the services that citizens truly want.

While not only improving customer satisfaction, it can also relieve some of the financial pressures and allow valuable resources to be redirected to key frontline services.

“What authorities should be doing to increase the skills of the citizens, is showing them actually how they use the services.”

**Ronnie Kyle**

Transforming Glasgow Programme Director, Glasgow City Council







# Empowering change

Many local authorities have spent years working in professional internal silos.

Our recent report developed in partnership with Solace, 'Invigorating the Public Sector Revolution', discussed the need for public sector leaders to empower the wider workforce and create an organisational culture that supports and drives transformation.

While change is the new constant, it doesn't necessarily make it easy to lead and motivate a team to deliver it.

**Setting a clear vision for others to buy in to and feel an affiliation with – a role our survey confirmed needs to be set from the top – is a crucial factor for Scotland.**

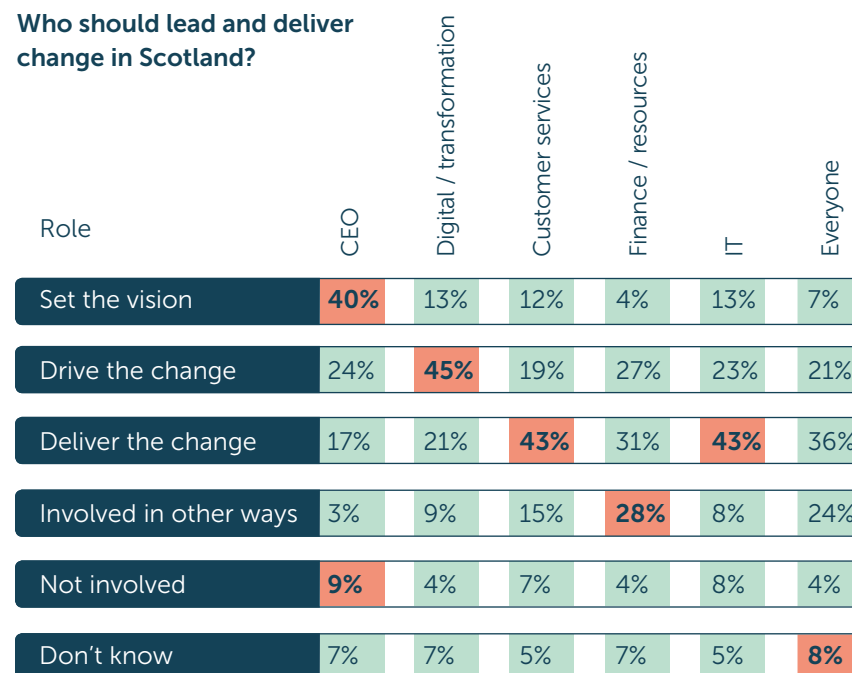
So how can Scotland motivate, inspire and empower its teams to deliver the change needed?

"It's a massive change programme that leadership and culture has to get the ball rolling to be successful."

**Bob McClean,**

Business Development Director, Civica Digital

## Who should lead and deliver change in Scotland?



## 1 Devolved democracy

Our survey identified that **only 19% of local government employees in Scotland believe that their organisation has a clear vision for its transformation journey** – and worryingly, 15% believe it never will. Looking specifically to those with a transformation role, a staggering 0% say they currently have a clear vision.

While senior leaders need to set a clear direction, they should also be inspiring and encouraging those around them to better engage, take accountability and own the transformation.

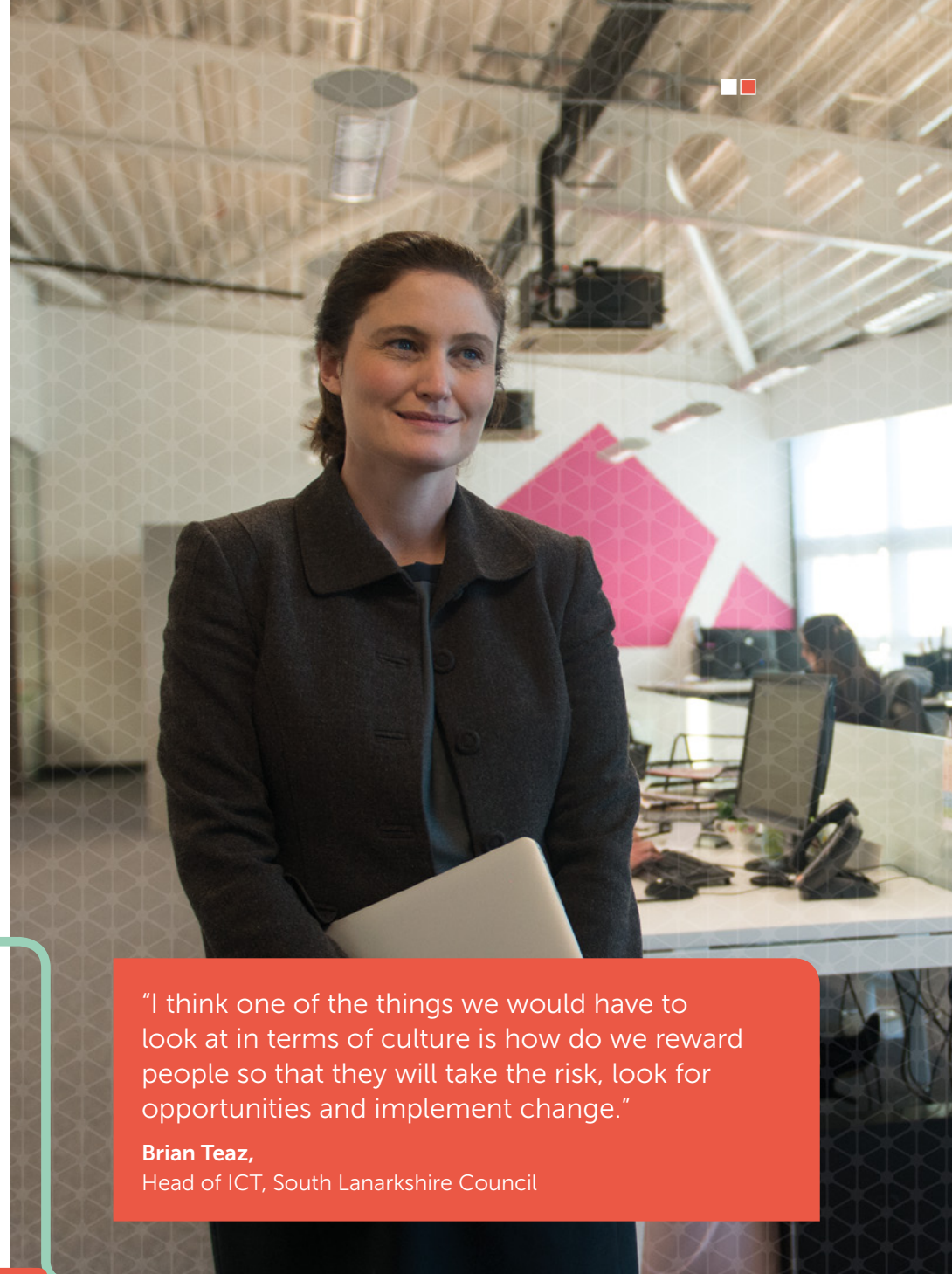
But transformation and change never stops. Leaders must not only continue to break down silos and promote collaboration, but also work together to enable councils and partners deliver innovative solutions that can be applied to everyone, not just a few.

## 2 New attitude to risk

Perhaps the most obvious thing holding public sector organisations back is an overwhelming lack of room to take risks.

There is no quicker way to suffocate original thinking than by punishing failure and not giving people the space to innovate. This has a knock-on effect on the quality of service and severely slows down the ability to make improvements.

In our survey, **85% agreed that an open, rewarding culture that embraces risk is important for Scotland to deliver a successful digital transformation programme.**



"I think one of the things we would have to look at in terms of culture is how do we reward people so that they will take the risk, look for opportunities and implement change."

**Brian Teaz,**  
Head of ICT, South Lanarkshire Council

### 3 Skilling up for change

While embracing innovation, we cannot underestimate the skills needed to instil change. **But unfortunately, 31% of those we surveyed don't currently feel they have the skills to deliver the job needed.**

It's not always possible, nor needed, to have the exact skillset right now. While it's important that we up-skill and train employees in digital skills, transformation doesn't have to grind to a halt without them.

Local government has a successful history of working in partnership to plug any skills gap - providing the support needed as authorities progress through their transformation journey.

And it's a journey that's moving at a rapid rate. Scottish authorities must weigh up the time, cost and benefit of training employees in skills that could soon be outdated, against slowing down the pace of change.

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"We all face challenges of getting the right skills into our organisations; whether it's within the Scottish Government, the Scottish public sector or the Scottish economy as a whole. Digital skills are at a premium and there's fierce competition to find, develop and keep the people we need to transform the way we work."

**Colin Cook,**  
Director Digital, Scottish Government

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"In terms of transformation, culture is **the** only thing. Get it down to a level where people understand it, a level where they're thinking about a shared future."

**Andrew Kerr,**  
Chief Executive, Edinburgh City Council



## 4 Five steps to enable Scotland to empower real change



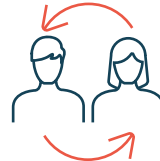
### 1. Create your winning taskforce

While leaders will of course 'lead' change, the wider workforce are the people who will actually make it happen. Identifying key revolutionaries from your workforce, giving them specific responsibilities and objectives to drive change across the workforce will help achieve the outcomes required.



### 2. Set a compelling vision

All organisations need a clear vision and goal that is understood at every level. We need to help everyone to be inspired and proud – to feel connected to the contribution they are making to their communities.



### 3. Revolutionise the organisational structure

It's not enough to just re-instil a sense of public revolution – the right structure, processes, partnerships and tools must be put in place to enable it. From the top down this means it's time to move away from a traditional hierarchical structure, where silos are broken down and democracy is devolved.



### 4. Create an empowering people plan

From leading change to creating a can-do culture, from empowering 'agents of change' to inspiring future leaders. These challenges require everyone in the organisation to work in new and different ways – leaders need to put in place a people plan to empower that change.



### 5. Practice what you preach

Part of walking the walk is making sure leaders are always learning from others within or indeed from outside their organisation. In practice this often takes the form of peer networking groups, knowledge-sharing sessions, job-shadowing and secondments.



## Redefining & liberating data

It is true what Neelie Kroes (Vice President of the European Commission responsible for the Digital Agenda from 2010-2014) said back in 2013 – “Knowledge is the engine of our economy. And data is its fuel.”

Since then data levels have been growing at exponential levels across the globe. According to the IDC, the world will create 163 zettabytes (or a trillion gigabytes) of data by 2025 – which is the equivalent of streaming the entire Netflix catalogue 518 million times.

But as our volumes of data grow every second, the need to fully understand and drive meaningful insight from it is becoming a difficult task.

Scotland’s public sector leaders agreed that harnessing the full power of their data is crucial in their quest to become a digital nation by 2020 – a view strongly backed up by our regional survey.

But how can the public sector in Scotland better unlock the information they have to deliver meaningful change and better outcomes?

# 47%

of local government heads of service and IT directors expect local authorities will collect citizen data from all interactions by 2020.

ENVISION

DISCOVER

ROADMAP

VISION

DIRECTION

STRATEGY

ANALYTICS

USER

DATA

SINGLE VIEW

What are we trying to achieve?

Plan an approach for the project

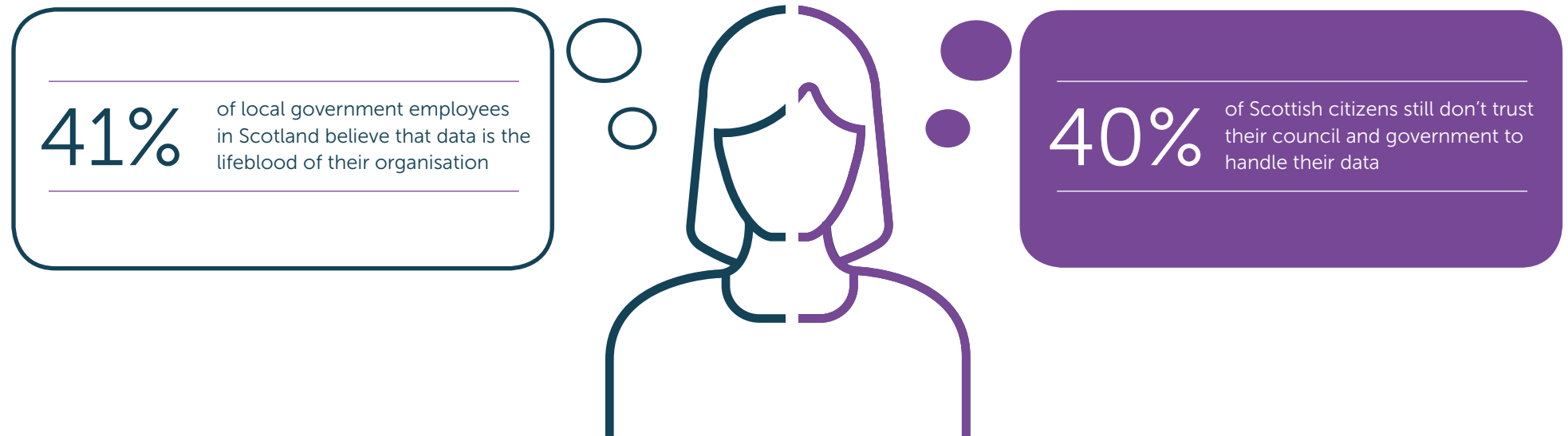
How will we achieve it?

Customer Analysis Required

“There’s a real drive to reform our public services in Scotland. You can see it already in the creation of Police Scotland and the integration of health and social care, and new powers provide us with an amazing opportunity to do things differently.”

**Colin Cook,**  
Director Digital, Scottish Government

## 1 Redefine your relationship with data



By analysing and using data, local authorities in Scotland are better positioned to offer the most appropriate support and intervention activities. Not only can it drive financial efficiencies, but better insight can also help combat fraud, misuse and ensure services are delivered to those who truly need them. But to achieve that goal many need to redefine what data is and means to their organisation.

A fear of fully understanding data has seen many organisations place its responsibility in the hands of only a few. But this mentality only achieves more silos and prevents authorities from unlocking its full potential. **Data needs to be placed in the heart of an organisation – driving actionable insight from the centre to every part it connects with.**

But authorities in Scotland also need to stop viewing data as an asset they exclusively own. Data is ultimately owned by the citizen – a view further enforced through the EU General Data Protection Regulation (GDPR). With the introduction of tighter regulations on how information is held and used, the balance of power is shifting back to the citizen. **It is therefore important to view data, not as being owned, but rather as being on loan from citizens.** This encourages organisations to better maintain and look after data - ensuring it is and remains fit for purpose, trusted, secure and accurate.

This realignment can help Scottish authorities, not only retain valuable actionable insight, but also nurture clear principles around their data and build a more transparent relationship with their customers.



## 2 Increase Scotland's data IQ

Having access to data brings with it the need to better understand and use it. However, as discussed in our previous report, '[Enabling a New World of Public Service Delivery](#)', local authorities are often data rich but information poor – lacking the tools and solutions needed to effectively analyse the volumes of data they are sitting on.

In Scotland, some headway has been made. In fact, 17% of those surveyed claim that their organisation is starting to explore the value of data, but **only 20% believe they are effectively using the data for better insight**. A number of reasons including legislation, security concerns, lack of skills and insufficient sharing, can help explain this slow uptake. Scotland's own data IQ can be improved by reviewing what information they have and also its purpose.

This audit can encourage the better collection, understanding and usage to drive better outcomes. An approach that is empowering Harrow Council to develop services around customers' needs and [generate efficiencies of £2m](#).

But an enhanced understanding and utilisation of data doesn't just have to stop at delivering enriched experiences, or much needed efficiencies. It can also drive meaningful social and environment changes to improve our society.

15,000 tons of harmful CO2 gas has been reduced in the City of Portland in Oregon, USA, each year by using better insights to [improve traffic management](#). Closer to home, Newcastle City Council's data-led transformation is improving children's social care in the region while Facebook is using insights to build a [safer online community](#) with new suicide prevention tools.

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Only **20%** of Scottish local government employees believe that their organisation is effectively using big data and analytics to provide insights across the organisation

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## 3 Don't forget to share

Public sector organisations must act together to ensure they're not only sharing the appropriate data in the most effective way, but doing so in an open, consented and transparent manner.

In our survey, **59% of Scotland local government employees agreed that to exceed our current understanding of data, transparent sharing should be encouraged**. But while there is an acceptance to share, a number of barriers still exist.

### Key barriers to sharing data in Scotland



**34%**  
security of data



**29%**  
integration of data

Redefining data as being on loan can support its better sharing and integration. While enriched understanding and heightened security can be maintained with a single view across multiple systems and organisations.

At our Scottish forum, attendees discussed the progressive example of Estonia. As a rule, government systems in Estonia are not allowed to store the same information in more than one place. Citizens can access nearly all of their own data online through the State Portal, correct mistakes and interact with organisations – bringing greater efficiencies, cost and time savings.

While we understand that Estonia and Scotland are two very different regions, Scotland needs to encourage the sharing of data at a national level and use it locally to inform personalised services. This will make it easier to remove barriers and enable citizens to engage across the full public sector spectrum.



## Moving beyond channel shift

Alongside improving their data IQ, public sector bodies of all shapes and sizes are also wrestling two universal challenges.

The first is the rapidly evolving demands of the citizen and how they want to engage with the public sector. The second is a continuously shrinking budget, which means transforming the way services are delivered is crucial for success.

The first wave of digital transformation across Scotland, and indeed the rest of the UK, witnessed a drive to shift traditional and costly services, such as telephone and face-to-face contact, to web channels.

However, with a diverse population, all with differing digital skills and connectivity, and the need to deliver more for less - moving services online has not delivered the change needed.

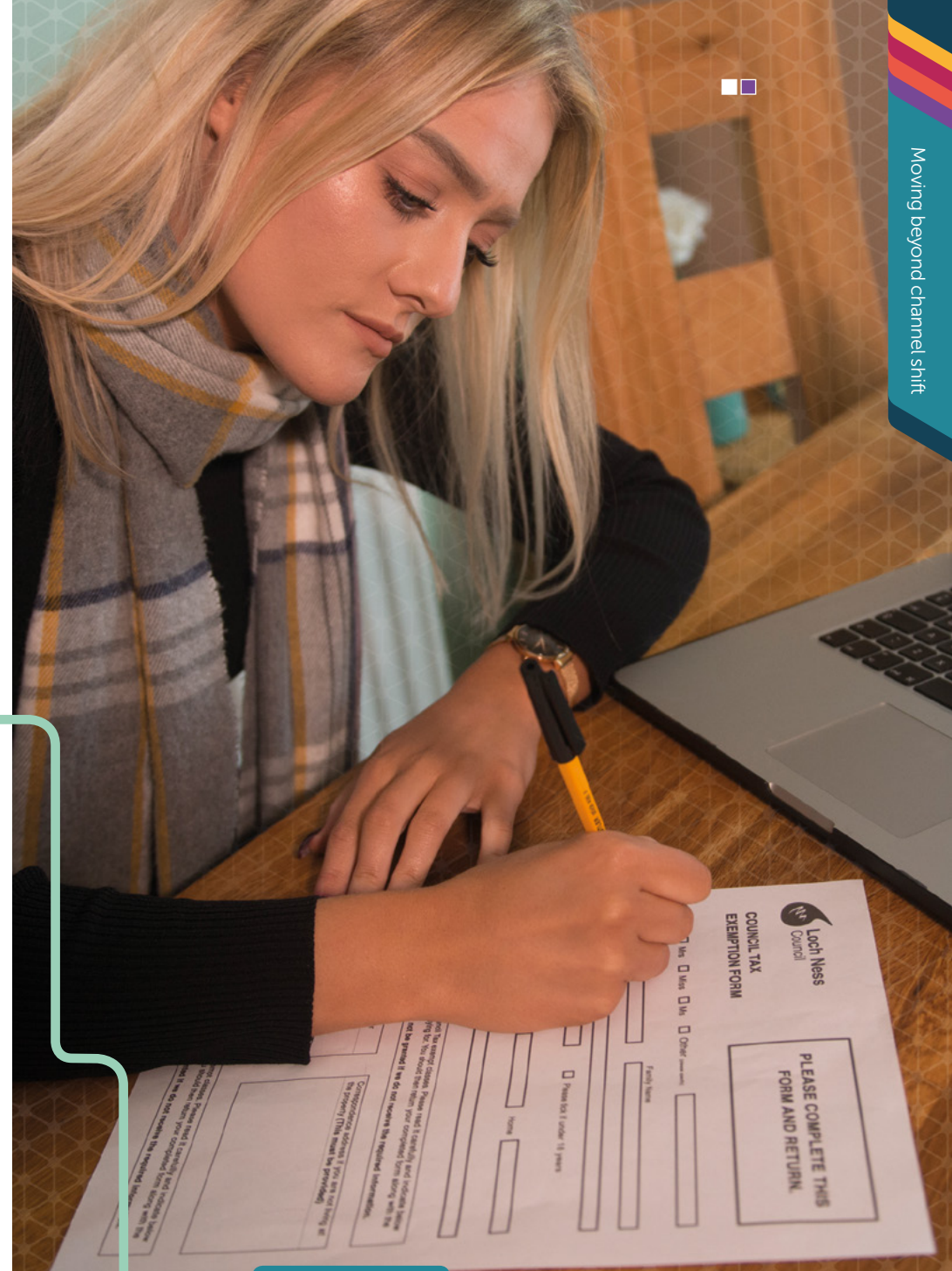
To fully respond, Scottish local authorities need to move beyond channel shift and deliver a holistic transformation agenda.

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“Digital transformation is not simply about moving existing services online. Creating end-to-end digital services requires major redesigning processes and systems.”

**GlobalData, 2015**

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## 1 End-to-end delivery

Scotland's geographic landscape has slowed down the digital explosion in the region. While work is underway to improve the digital infrastructure, exclusion issues reinforce the importance for Scotland to not over-rely on simply pushing services online.

Rather, authorities need to deliver wholesale transformation with services designed around citizens and how they want to engage. Omni-channel access will help improve user experience and the uptake of services among citizens. Indeed, **79% of those we surveyed identified multi-channel access as a critical factor to digital transformation's success in Scotland.**

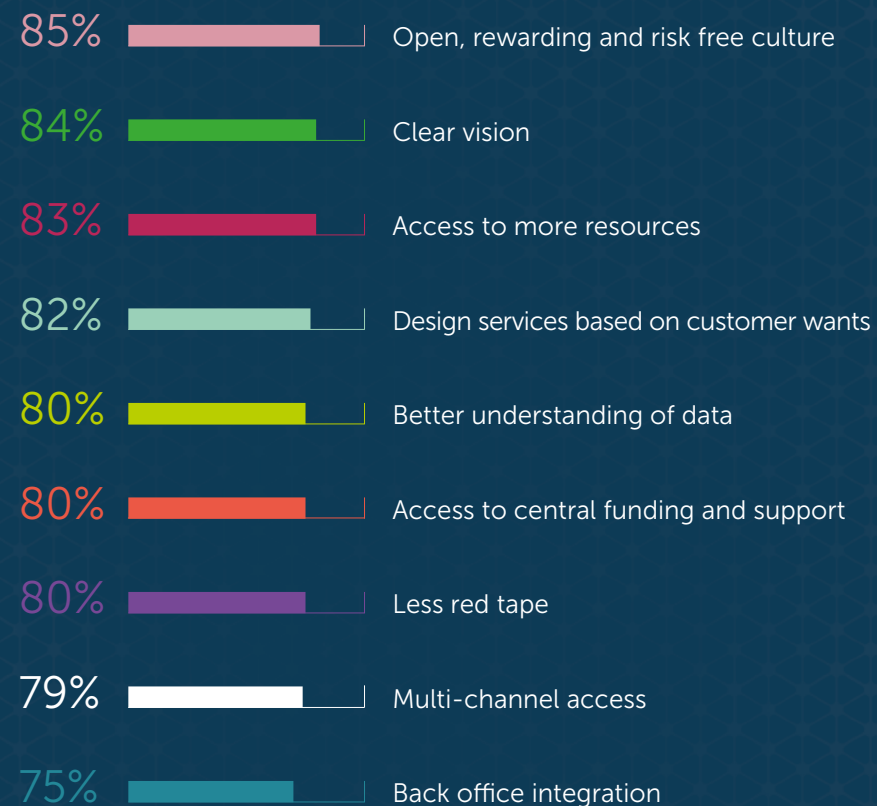
But as our recent [report with GlobalData highlighted](#), it is vital that the level of service provided is the same no matter what channel it is delivered on. If outcomes are better on non-digital channels, then authorities will encourage more citizens to continue to engage via those traditional methods.

The key to success is taking a holistic approach that embraces end-to-end transformation. By understanding what, how and when citizens want to engage, automating processes and integrating the front and back offices, authorities can generate substantial efficiencies and improve the level of services delivered. This view is backed up in our survey where **75% identified integration as a critical success factor for Scotland's transformation.**

"It's ok if you go to digital as long as your services are actually delivering the right thing at the front line."

**Andrew Kerr,**  
Chief Executive, Edinburgh City Council

### Critical success factors for digital transformation in Scotland



Survey responses ranked as very important or important





“The easy part is finding online forms and having people fill out forms online. The hard part is what that means in the back office and that is where all the work really needs to take place.”

**Paolo Vestri,**  
Service Manager, Corporate, East Lothian Council

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## Strong and adaptable foundations

The pace of change has accelerated over the last few years. Driven by rapid advances in technology, consumer preferences and the greater availability of data, the digital revolution continues to disrupt and change the landscape.

It is abundantly clear that the adoption of change is moving at a faster rate than public services can keep pace with.

To support the need to constantly evolve and adapt, **Scottish authorities need to create a strong foundation layer – a digital ecosystem that can grow and support the changes required for both today and tomorrow.** This will not just help make it easier for authorities to deliver efficient services now, but also better adapt to our ever changing and dynamic landscape.

3

## No one-size-fits-all approach

It’s important to note that there is no one-size-fits-all approach to digital transformation. It’s crucial that each organisation looks at their specific needs and implements solutions that will bring benefit to them.

Delivering this effectively lies not only in embracing new technologies and digitising services, but also in adopting new approaches to collaboration and partnerships, and in making a commitment to address transformation holistically.

While service transformation remains an imperative throughout the public sector, it’s crucial that public sector leaders don’t focus all efforts on a simple channel shift. They must look at the whole service journey and identify what will make the most difference to their citizens and employees.

# Conclusion

In our survey, 57% of local government employees in Scotland do not believe the region will achieve its digital nation vision by 2020. But there is still time to refocus and make this a reality.

While none of us can fully predict the changes that lie ahead, there are steps that Scotland can take now to ensure Bell's legacy, not just endures, but thrives.



**Tackle digital exclusion** – invest in infrastructure and boost digital education (especially in rural areas) and build services around citizens at a local level.



**Empower change** – embrace change, set a clear vision and foster a rewarding culture that lets the risk takers and doers, do.



**Redefine & liberate data** – don't view data as an asset you own, but rather as being on loan. If it's looked after and shared you will unlock its true value and deliver enriched services.



**Move beyond a channel shift** – take a holistic and end-to-end transformation approach to ensure services are integrated and deliver the change and efficiencies required.

While following these steps, public sector organisations throughout Scotland must continue to work together, embrace change and deliver better outcomes for their citizens.

It may sound like a difficult task, but this is not a journey that rests solely with the public sector or senior leaders – we all have a vested interest and part in delivering this vision. With the support and collaboration from Holyrood, their peers, partners and citizens, everyone in Scotland can ensure the region is dialled in for digital success.

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“The pace of technological acceleration is speeding up – the tipping point is closer than we think and public sector organisations must be prepared.”

**Chris Doutney,**  
Executive Director, Civica Digital

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The research, Civica Scotland local government survey, was conducted by Opinion Matters for Civica, in May 2017. The sample included 75 local government workers in Scotland, across all levels.

## Start the conversation with Civica

Contact us for more information on our 'Changing Landscape' series of reports or to learn how we can help you work towards achieving a more sustainable future.



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