

Putting IT into Practice: New Technology and the Modernising Agenda

How four leading local
authorities and one company
have pioneered the use of
Information and
Communication Technologies
(ICTs)

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Acknowledgements

We would like to warmly thank managers from Knowsley MBC, London Borough of Lewisham, London Borough of Newham and Sunderland City Council for all their help arranging visits and giving interviews, particularly David Fellows, Joe Daniels, Glyn Evans, Kevin Peers, Barbara Spicer, Barbara Jones, Lesley Burr, Steve Pennant, Janice Whyte, Leo Boland, Ita O'Donovan, Dhanwant Rai, Richard Steel and Simon Norbury.

We would also like to thank their partner organisations for taking part and providing information: Lynn Conolly, Benefits Agency; Colin Charlton, CONNECT; John Wilkins, Hendon 2000; Mary Baker, Sunderland CVS; Gerard Callaghan, Leighton Internet; Willie Herdman, Sunderland TEC; Vilas Edwards, University of Sunderland; David Phillips, City of Sunderland College; Fred Kirkland, Washington Business Forum and Richard Stubbs, Newham Online.

Thanks also to Kieran Gavan at British Airways for providing a case study of BA's use of Internet technology and to Jim Haslem of SOCITM for his help.

We are grateful to Cynthia Griffin at the Improvement and Development Agency for writing the foreword and our thanks to both Cynthia and John Blundell of the Local Government Association for their support. And last, but certainly not least, our many thanks to Mike Wright and his colleagues at IBM UK Ltd for designing and publishing the report and ensuring that all local authorities receive a copy.

We have tried to tell the stories of people in local government who have successfully wrestled with the many opportunities and challenges posed by new technology. In doing so we hope it is of some help to other local authorities during this critical period of transformation to electronic delivery of services, enhanced democracy, ensuring a telecommunications infrastructure to underpin economic and social regeneration and the whole shebang of e-life as we try to understand it now and prepare to harness its dazzling opportunities for the future.

Samantha Hellawell
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January 2000

Foreword

Dear Colleague

In this report four leading local authorities and a private sector company share their experience of using Information and Communications Technologies (ICTs).

Although very different organisations developing in different ways, a number of common themes arise from their individual experience.

Each organisation has a strong vision of how it wants to improve services and how ICTs can help. Working in partnership is a key element of this.

They all have a clear understanding of who uses their services and what mixture of provision best meets their needs.

Managers in these organisations both understand the potential of technology and how to apply it. There is significant investment in training; innovation is encouraged; and risks are taken. Thinking is outside the box.

All the organisations have taken a business decision to invest heavily in technology as part of their service improvement strategy.

The experience of each of these organisations demonstrates what is possible. I hope that this report stimulates debate, ideas and innovation elsewhere.



Cynthia Griffin
Director of Best Practice and Corporate Services
Improvement and Development Agency

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Modernising government, Best Value and economic regeneration: why IT matters

It's not easy. Nor is it cheap. It's very fast moving and it's no longer optional. Public sector managers and members have exactly the same mountain to scale as their private sector peers – they have to develop an e-business strategy.

The task is harder in the public sector. With limited resources, local authorities not only have to re-engineer the process of communicating and doing business electronically with citizens, they also have to take a lead role in developing the economic health of their borough in the digital, knowledge-driven economy.

Neither do local authorities choose their customers, they have to market a variety of products and services to some of the most vulnerable in society. The parent company – central government – demands great change whilst still getting its own IT house in order. Political leadership adds complexity that simply doesn't exist in the private sector and freedom of information will make local authorities much more transparent. And yet, if councils don't get it right, the ramifications are much greater than if a business fails to take its place in the electronic supply chain that will guarantee its ability to survive and prosper.

Failure to ensure that citizens have access to a fast broadband telecommunications network and the complex data that flows up and down it, ensuring jobs as well as completed council tax forms, will result in severe social exclusion for generations.

Information and Communications Technologies (ICTs) are not only the tools to deliver the Modernising Government agenda and join citizens and government together in seamless, satisfied, civic bliss. Economic regeneration, the ability to keep and attract business to an area, is at the heart of pioneering local authorities' use of ICTs. It's an understanding shared by all the councils interviewed for this report: Knowsley, Lewisham, Newham and Sunderland.

Sunderland's twin-track strategy to ensure its part of the North East wins in the Information Age includes a state-of-the-art telecommunications environment and an approach to skill development that includes its most disaffected citizens.

As you dip in and out of this report you'll meet a number of managers from different parts of their respective councils. Most of them are not IT managers although they share an ability to see the importance of ICTs in delivering the big picture. Many regard a can-do culture, lack of fear of failure and its implications, the commitment of the chief executive and political leadership and having trusting relationships with colleagues from other departments – including IT – as central to their achievements. All are motivated by this once in many lifetimes chance to make a real difference – or not.

What it all comes down to, as ever, is people. People who are drivers of change. People who can market their vision to others. People who are prepared to do whatever it takes to realise a shared vision, however personally uncomfortable. People who are tenacious enough to forge the partnerships, both within and across sectors, which will be crucial to sharing cost. And people who can get over the hurdle of feeling daunted by technology and learn to use it themselves.

The next five years are going to be extremely uncomfortable and unpredictable. Success will depend on individual's – and through them organisation's – ability to live with, rather than manage, risk.

What have pioneering local authorities learned?

This report is based on in-depth interviews with senior managers in Newham, Lewisham, Sunderland and Knowsley. We have also included a case study from the private sector – British Airways. Here is a summary of the key lessons learned.

Committed leadership is a must

It simply won't happen unless senior managers 'get it'. Not only does it matter enormously that they understand the relevance of ICTs but that they use it themselves – it's no good leaving email for the secretary to sort out while sticking determinedly to pen and paper.

Email took off at rocket speed in Newham when Wendy Thompson, then one of the most IT literate chief executives in London and a prolific user of email, joined the Council. During our interviews in Knowsley, managers kept emphasising the support of a political leadership that was determined that Knowsley's citizens would not be left behind in the Information Society. Also key was the fact that the deputy chief executive – also director of finance – drove the vision through. Janice Whyte in Sunderland had a vision for a Teleport but it would never have happened if the chief executive hadn't committed resources to developing a telematics strategy. It was a risk at the time since no-one really knew very much about the role of telematics in economic development.

New technology is at the heart of the Modernising Government agenda – it's not just about changes to the political structure. It is also at the heart of Best Value. It is no good sitting back waiting for a good model to emerge after others have taken the risks. Technology is changing too fast, no one knows what the immediate future holds. If council's don't start now they will simply never catch up.

So is an entrepreneurial culture

Exploiting new technology requires a completely different mindset. As Kieron Gavan at British Airways – our private sector case study – points out, e-business turns long standing economic models on their head.

Time and again Knowsley managers emphasised to us the importance of working within a can-do culture where risk and possible failure are accepted as a consequence of innovation. Managers are expected to continually improve their services and go out and find the money to do so.

In Newham the top manager's programme involved people working in cross departmental groups on topics outside their departmental expertise. This set the scene for the innovative thinking required for the Best Value Theme Teams.

Business driven – ICT enabled

A clear message from all the case studies is that new initiatives must be driven by the business needs of the local authority – not by technology. In Sunderland the Council saw the need to rebuild the local economy. Knowsley wanted to improve the local economy, ensure social inclusion and build a sense of community locally. Lewisham developed Tellytalk and its many other initiatives in response to citizens' needs. In Newham one of the initial driving forces was departments' needs to win compulsory competitive tendering contracts and later, to achieve Best Value goals.

Wanted – hybrid managers

Because new applications must be driven by business needs and enabled by technology, hybrid managers are needed to manage the process. In other words, managers who understand both the business needs of the local authority and the way that technology can help.

Researchers at Manchester University coined the phrase after studying what went wrong with big IT projects. They concluded that it was the gap between design and reality, augmented by the clash of culture between the local authority client and private sector supplier, that resulted in late delivery of systems that lacked functionality but were well over budget. The core problem underpinning the gap between design and reality – and the bigger the project the bigger the gap – was lack of understanding. Local government managers who were involved in scoping out the project didn't understand IT and IT professionals, who built the system, didn't understand how local government worked.

One of the implications of this is that managers need to be regular users of the technology. A theoretical knowledge of ICTs is not enough. Glyn Evans in Knowsley sums up the situation there very graphically: 'As far as IT is concerned, there's been a Damascus conversion in the past few years. Departments now realise this is very much their core business. It may be an alternative way of doing business but it's no longer an optional one.'

Managers in Newham, operating in the competitive environment of Best Value, have come to see that web publishing must be part of their core business in order to market effectively their services to other departments. Leo Boland describes the Newham culture as one where: 'you cannot survive and prosper if you are not entirely IT literate. That's the message that senior managers understand.'

Time too for the IT department to come out of the closet

Given the role of IT as an enabler for business goals, an IT department needs to be fully integrated into the core management structure. IT managers should not be seen as the people who simply fix the technical problems that everyone else doesn't understand. Rather than plumbers, they should be enabled to become architects. IT managers for their part need to take a corporate approach to IT development rather than be sidetracked by the gee whiz factor of new technologies.

Taking a citizen centred viewpoint

Councils need to look at things from the citizen's point of view rather than simply improve departmental efficiency 'to benefit the citizen'. Lynn Conolly of the Benefits Agency was refreshingly candid when she said: 'We've always been focused on customer service but we've not always been looking at it from the point of view of the customer.'

Newham, Knowsley and Lewisham all have made extensive use of surveys, focus groups and in Newham's case, listening days, to find out what citizens need.

The key message is that a manager's first loyalty is to the customer and not to the department.

The council as community leader

Someone has to start the ball rolling. Kevin Peers at Knowsley uses the analogy of libraries – someone had to buy the books.

All four local authorities studied have pulled together a cross sector, broad vision for the area, which includes building a sense of community and developing a strong local economy. None of them have restricted themselves to simply looking at the potential of ICTs for service delivery.

Telecommunications infrastructure – the new roads

Web portal sites are important, but these pioneering local authorities remind us that it is also essential to develop local broadband networks. Telecommunications are the new roads. Some have done it by pulling down regeneration funding to build the infrastructure anew. Newham is building on what is already there by linking existing networks.

Partnerships to drive down costs

Small is beautiful says the City of Sunderland Partnership when asked the secret of harmonious, successful partnership. Sunderland believes that by having one of each – local authority, health authority, university, college etc – conflict is mitigated and a shared vision easier to achieve. However, small is not always the reality. Increasingly local authorities will have to work in partnership with other authorities and central government to develop the comprehensive gateways to government described in the Modernising Government White Paper, since the customer rarely distinguishes between composite parts. Partnerships will be crucial in driving down costs, not least in developing the necessary telecommunications infrastructure that all sectors have equal need of. Newham Online is a good example of how this has been done. The partnership is now applying for Public Telecommunications Operator (PTO) status to further ensure cost effective access for all.

The Government would do well to enable partnerships with shared objectives to share outcomes. Unnecessary conflict could be avoided if partners could share outcomes such as the number of people it has helped get into jobs. In Sunderland for example the formal call centre training courses process more trainees than the electronic village halls that deliver similar training to disaffected people. Both agencies make key but different contributions to that outcome which numbers in a box simply can't reflect.

Joined-up government requires the sharing of data and that in itself is a huge challenge for local and central government. Asking people to share data but not the credit for outcomes hardly reflects the true spirit of what many people are trying hard to achieve.

Knowsley leads the way with community digital television

“We believe that people are acutely interested in one another. It would do no harm whatsoever to enable people to share interests”

David Fellows

Annie makes herself comfortable in front of her new digital television set. She still feels nervous about using the handset. It's only been a few days since the nice young women from Knowsley Council came to show her how to operate it. But the desire to both see and talk to her daughter at the same time helps her overcome this minor hurdle.

A couple of miles away Kim's television beeps to tell her that her mother wants to talk to her. With a large amount of persuasion, she manages to wrestle the control from her son Joe who is busy sending an email to his friend in California. Sixteen year old Joe has special needs, but now he's able to communicate with people who aren't aware of his disability. Joe learnt how to use the Internet at his local Social Services Resource Centre.

Kim is now looking at her mum on the screen and thinking that she looks a bit better than she did yesterday. It gives her peace of mind to see Annie every day and, like the Health and Social Services people, keep an eye on how she's doing. Annie is a bit worried about some slates that have come loose on her roof and Kim tells her how she can notify the Council through her new television.

Unlike her elderly mother, Kim is confident using the new technology. She has just completed a basic IT course at the Huyton library. She could have done it via the television at home but she likes to get out and about and have some time for herself for a change. Joe seems to have found something to entertain him so after she's finished talking to her mum, Kim looks up information about jobs and childcare.

After years at home with her children and with new found confidence from her IT course, Kim wants to go back to work. She searches the database for a suitable job. She is also looking for local childcare for her younger son Daniel and manages to find the names and addresses of local childminders and a nursery. She can see the rates and times they offer and puts a shortlist together.

Kim is worried though that a part-time job will affect her benefits. All that sort of information is available via the television but she would prefer to talk to someone face-to-face. She makes a note to call in at the one stop shop tomorrow. Flicking channels, she finds a live debate about unemployment in Knowsley and the difficulties of getting back to work. It's reassuring to hear that other people are facing similar problems and she's tempted to join in but Joe comes back and wants to resume his email.

This isn't 'Life in Knowsley 2005'. Annie, Kim and Joe will be able to take part this year in Knowsley's Community Interactive Digital Television pilot. Citizens' TV is the brainchild of David Fellows, Deputy Chief Executive, Knowsley Council, and broadcast media specialists Brightfield. David has led this area of Merseyside into the information age. He firmly believes that interactive digital TV isn't just a way for institutions to interact with citizens but for citizens to talk to each other.

'We believe that people are acutely interested in one another; where they work, where they live, what they do. It would do no harm whatsoever to enable people to share these interests,' says David Fellows.

Leadership

David began to take an interest in the information society in 1995 after reading an EU report on the potential of technology. That set in motion a chain of events which led to the creation of Knowsley's Community Information Programme (see page 16), an £18.5 million project to drive Knowsley's citizens into the information age and develop the area as a centre of expertise in the digital economy. An area in the NW

with an unemployment rate three times the national average, Knowsley was keen to exploit new opportunities opened up by new technology. Knowsley is a creation of local government reorganisation in 1974. It suffers from limited transport across the borough creating a sense of separation between the various population centres. There was also a need to improve people's sense of community.

David did three things. First he invited a few departments that were beginning to use new technology, to discuss how the Council might make best use of it. Within four months all departments were on board (nothing to do with David being Director of Finance as well as Deputy Chief Executive!) Secondly he started to learn more about technology and thirdly he found Colin Charlton, Head of the Connect Project at Liverpool University, who had been involved in Internet technology for 20 years. Colin provided expertise on how some of the applications staff were dreaming up could actually be carried forward.

A whole raft of funding was found to develop staff ideas for the Community Information Programme. The funding was kicked off by Capital Challenge, reflecting a need to invest in 'regenerating people' since the built environment in Knowsley has improved enormously.

The consensus from senior managers and members was that the Internet was something people could more readily relate to than conventional IT – fundamentally, it was all about communication.

Social inclusion

'It did seem to the leadership to be a particularly useful technology to include the people of Knowsley in,' says David Fellows. 'They saw it as something they wouldn't necessarily become involved with if the Council didn't make a particular effort to give them that early start. Why should the people of Knowsley be opted out just because they didn't have enough cash to put it in their own homes, go on privately funded courses and buy a whole suite of CD ROMs? We saw it as a social inclusion exercise more than anything else. A revolution that people should not miss.'

Community surveys have reflected a strong desire for ICT skills. The most recent rates this the second most important issue after youth disorder.

Knowsley's state-of-the-art services made possible by new technology are essentially driven by what is at the heart of the Council's strategy: economic regeneration and social inclusion. They have been developed in a can-do culture where risk and possible failure are accepted as a consequence of innovation.

Glyn Evans, Corporate IT Services Manager sums it up: 'As a service head I'm expected to deliver. If I need money I'm expected to go out and find it, not moan about having no money. It's very different from other authorities I've worked at. There's never a "we don't do that here" attitude, it's more "convince me of the benefits and go out and make it happen" .

Senior managers at Knowsley are genuine 'hybrid managers' who not only have a solid understanding of their own business issues but also understand the relevance of IT for their work. These are the kind of managers needed to drive the modernising agenda.

For Kevin Peers, Assistant Chief Executive (Community and Youth), an interest in new technology stems from its ability to empower people. Knowsley's Social Service Resource Centres, with their Internet enabled PCs, are a far cry from the days when

“ The local authority needs to take the lead to make sure the energy brought together works for the greater good ”

Kevin Peers

people with moderate to severe learning difficulties were given old 286s. Like our make-believe citizen Joe, people with special needs can chat to friends anywhere in the world and the person on the other end simply hasn't got a clue that it's taken them so much time to compose the email. With increased confidence, these customers are actively demanding changes to the built environment. Agitation by disadvantaged groups is a measure of success!

Knowsley's use of ICTs to support vulnerable people goes much further than ensuring access to the Internet. Real-time monitoring in the home will enable hospital patients to return home earlier, young carers' needs to be better met and vulnerable elderly people – like citizen Annie – to stay in their own homes for as long as possible. The development of Knowsley's broadband telecommunications network (Community Information Network) will allow citizens an almost infinite number of applications – including the monitoring technology for vulnerable people.

Kevin Peers is also a member of the DTI's Policy Action Team (PAT15) looking at deprived neighbourhoods and ICTs. 'There's a lot of sensitivity and debate around who should take the lead on developing joined-up information society initiatives. My view is that it's like public libraries – someone had to buy the books. The local authority needs to take the lead to make sure the energy brought together works for the greater good.'

Knowsley has developed a model for its Community Information Programme which it believes is replicable, providing due attention is paid to context. The context, which in Knowsley's case includes a strong labour leadership and an area of high social deprivation, determines its key objectives: tackling economic regeneration, social inclusion and community identity. What works for Knowsley residents in terms of skills training, access points and relevant content may be quite different from the needs of Cumbrian hill farmers, for example.

Dial-up

Barbara Spicer, Head of Customer Services and Media Relations readily admits that her working life was untouched by technology until she arrived at Knowsley. She began using email, she says, 'because some of my colleagues said they would refuse to ring me up! Now I couldn't live without it and most of us are on dial-up from home.' Barbara's team use Microsoft Office to communicate with each other and have Internet access.

Her responsibilities include one stop shops and the forthcoming Contact Centre, which aims to deal with 80 per cent of queries by front line telephone operators. As the Council's senior communications professional she's also been very involved with the Community Information Programme. 'The delivery of that project has brought significant internal benefits,' she says. 'It was never departmentally driven and has brought lots of people together from different elements of the organisation. We just don't work anything like the way we worked before.'

These days, some of her closest working colleagues are those in the IT Department. 'Working on the CIP has engendered a huge amount of trust. If projects have worked they have been built on. It's a bit like the Web. What works stays and what doesn't falls away.'

The success of Knowsley's one stop shops (the first opened in 1993 and the fifth's just being built) combined with the lessons learned from the Community Information Programme, has informed the development of the Contact Centre.

'We recognise that people will want to change how they do business with us, but one way will never be better than another,' says Barbara Spicer. 'Technology

shouldn't replace face-to-face for people who want it, so we've got face-to-face management through the one stop shops. The Community Information Programme will allow electronic delivery of services and the Contact Centre will allow customers to deal with us through the telephone.'

Plans for the Contact Centre started with some simple telephony stocktaking, which revealed a few surprises.

'Local authorities are notoriously bad at really knowing what they deliver. We took very accurate soundings from people and we were pretty certain that we got about a million calls a year. Of course we didn't, it was over three million,' she explains.

'We also found that 35% of calls were abandoned because people hit busy lines. We were shocked to find these figures but in a benchmarking exercise we were actually better than some other local authorities. We have spent the last eighteen months unpicking the pressure points so that we understand a lot more about the telephony side of our business.'

Knowsley realised it needed a private sector partner for its Contact Centre and went through a European procurement exercise to get one. Now the detailed business case and analysis of different service areas is underway.

Authentication

While the launch of digital television and the multi-service customer contact centre are exciting, high profile additions to Knowsley's information society programme, behind the scenes there is much work to be done on critical non-headline issues. One of these is authentication. Knowsley wants to give all its citizens smart cards, an electronic gateway to a number of services including health, education, benefits, grants, travel and leisure. They will also have the ability to hold cash, in other words to be an electronic purse. This will be particularly useful for people who are excluded because they don't have a bank account.

There are better relationships to build with local business to encourage its full use of the electronic network. Knowsley admits that some businesses still see the Council as hide-bound by bureaucracy. There are talks with the Employment Service and the Benefits Agency to integrate services in the one stop shops and last, but not least, is the roll out of the Council's intranet to all its staff. Performance indicators set by Central Government, which do not reflect joined up services and don't distinguish quality from quantity, continue to mar progress.

But Knowsley enters the new millennium optimistic that given its enormous head start on information society projects, it is well positioned to deliver the modernising agenda.

Tellingly, while the Council holds a Global Bangemann Challenge Award for Public Services and Democracy, (its Community Information Programme beat 450 international entrants), its mission statement doesn't mention IT at all – just education, information and empowerment. Despite all the hype, IT is just an enabler.

'As far as IT is concerned, there's been a Damascus conversion in the past few years,' says Glyn Evans.

'Departments now realise this is very much their core business – it has to be otherwise everything stops when the seedcorn money runs out. It may be an alternative way of doing business but it's no longer an optional one.'

Key Success Factors

- Member, officer and public perception of the importance of new technology in relation to employment
- Community Information Programme is multi-sectoral
- Community Information Programme championed by an influential senior manager
- Good experience of working with telecommunications infrastructure providers
- Managers who understand the importance of ICTs even though they are not technical specialists
- Managers working together on cross-departmental projects
- Eligibility for regeneration funding
- Has received recognition for work

See www.knowsley.gov.uk

*“The
Community
Information
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and what
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Barbara Spicer

The Information Society in Knowsley

The Community Information Programme

The Community Information Programme (CIP) is at the heart of Knowsley's determination to give its citizens a head start in the information society. By the end of the year there will be 900 public access PCs at 163 locations, giving citizens access to the Internet and a huge range of community information including local history (and a chance to trace your family tree), jobs and childcare. Already schools, colleges, libraries, one stop shops, social services resource centres, business resource centres, sports centres and museums have access to the CIP. Community organisations supply material using a template and SMEs pay £250 per annum for a full e-commerce service.

Learning Resource Centres

Knowsley's seven libraries have been transformed into Learning Resource Centres with the flagship Huyton Library having a suite of 87 PCs.

Learning Resource Centres offer:

- Access to the Internet and the CIP
- Training facilities for adults and children
- Homework programmes
- Accredited training, particularly in IT skills
- On-line access to job information
- Skilled tutorial staff

Partners

- Knowsley MBC is responsible for management of the CIP
- The Connect Project at Liverpool University is responsible for digitisation of content, design of web pages and some training
- The Learning Methods Unit at John Moores University provides multimedia packages for the Learning Resources Centres in libraries
- Telewest and Setacom are responsible for the network infrastructure

Support for Business

- The Kirby telematics centre offers video conferencing and an IT training suite for SMEs
- Knowsley is the lead authority on Merseyside Adapt 2000 which offers a single 'get started' pack for business including loaning of equipment, web site development and consultancy

Funding

- 1997/2000 £3 million from The Capital Challenge Fund
- EU funding of the Merseyside Adapt 2000 Project
- EU SRB Objective One funding

Total: £18.5 million over 5 years including revenue

The Community Information Network

The electronic network which provides the necessary bandwidth for the Community Information Programme has been developed by Knowsley in partnership with Telewest and Setacom. Currently under development, this network will also underpin the rollout of the Council's intranet and provide the technical backbone for the new Contact Centre.

The Community Information Network is an ATM fully-fibre network.

There are three levels of nodes:

1. Main sites such as libraries with 155 mbs
2. Main nodes with 2 mbs
3. Dial up ISDN sites

There will be links to Net North West (the higher education network in the North West) and links with the Government Secure Intranet (GSI) are being explored.

E-messenger brings economic prosperity to North East

Gerard Callaghan, co-director with his brother Paul of Leighton Internet, sits at his immaculate desk in his immaculate office, waiting to be interviewed. Above us, on the roof, sits a satellite. Unlike the Angel of the North it is small and difficult to see. It does however, herald a bright future for the North East. It is the reason why fast growing multimedia businesses like Leighton Internet and an increasing sprawl of call centres, all of which require fast electronic communications, are locating at Sunderland's premier business park – Doxford International.

To say business is booming at Leighton is an understatement. In the eight months since the Callaghan brothers moved into their new premises at the Teleport, their workforce has grown from twelve to forty. Increasingly employees are home-grown graduates, happy to return from London to well paid jobs in this hub of digital activity.

One of Leighton's offspring, a domain registration company (domainnames.com), is on target to increase its turnover from £3.5m this year to £8.5m next year. In the new year the brothers are rolling out an Internet property finding service (property-online.com) and have a staggering 47 fledgling e-commerce businesses ripe for development.

'Can you imagine the size, the speed of growth of these types of businesses,' says Gerard Callaghan. 'It's a hell of a job to actually handle the growth which is why we're putting in place a top management team to be able to rollout all these separate businesses.'

Partnership matters

Gerard and Paul Callaghan are active members of the City of Sunderland Partnership, which, since the launch of its first telematics strategy in 1996, has driven forward the city's use of ICTs.

The cross sector partnership is now in the throes of implementing strategy mark two which comprises more than 160 projects aimed at improving life 'for people, for business, for learners' (see page 23). Driving the strategy on a daily basis is Janice Whyte, Head of the Information Society Initiative at Sunderland City Council. After 27 years at the council Janice appears to have the same energy and commitment she probably had on day one. It's partly thanks to her vision and foresight of the role of ICTs in economic regeneration, that Sunderland has its Teleport and the ensuing inward investment.

Some in-depth desk research followed by a visit to other leading world Teleports, including Tokyo, convinced Janice that a Teleport was central to Sunderland's future: an opportunity to get ahead rather than simply catch up.

Just a few days after my visit to Sunderland I heard that Northern Rock Building Society is closing its high street banks and creating 400 new tele-banking posts at its offices in Doxford Park.

The key priorities of the Telematics strategy to 2003 are the development of the municipal area network (The Wheel of Opportunity) – connecting organisations, businesses and people through a multitude of access points; Internet access through the Sunderland Host and delivery of a CD-ROM to every household and business which will reconfigure PC access to the Internet through the new Sunderland Portal.

This new gateway to virtual Sunderland builds on the virtual community created by Leighton Internet back in November 1995 when Gerard and Paul got the Council, football club, Business Link and the TEC to support the development of a web site for Sunderland. Leighton put up content from all sections of the community for free.

“You’ve really got to believe in that vision. It takes energy, commitment and altruism... you need a great deal of persistence.”

Janice Whyte

Sunderland.com was launched by the Leader of the Council. ‘We had very good support from the City,’ recalls Gerard, even though he and Janice Whyte agree that at the time, very few people – the Council included – really understood what it was all about. Nonetheless, Chief Executive Colin Sinclair was able to foresee the importance of technology developments and committed resources to developing a strategy for telematics.

While Gerard and Paul are undoubtedly very successful entrepreneurs, Janice tells me about all the out-of-hours time they have committed to the partnership: demonstrating new technologies at meetings, rainy Saturdays spent helping out at the local cyberfest. Why are they so community minded?

‘I like Sunderland. I’m from Sunderland. We’re committed to development and growth in Sunderland. There’s a big pride in the region. I don’t find that same civic feeling in London,’ says Gerard. We, incidentally, refers to the partnership, not his fast growing company.

When I ask Willie Herdman, Enterprise Manager at Sunderland TEC, also a member of the partnership, about whether the group really does work as well as everyone keeps saying it does, he tells me he’s going to be brutally honest:

‘Ninety five percent of partnerships are a complete mess. It’s not that they’re not trying to work in the same direction – they are. But it is a fact that in most regional partnerships you get conflicts of interest.’

‘I think that size matters and small is beautiful. Sunderland is quite a small area. That means that there is one TEC, one local authority, one university and so on. In my experience it’s when you get two sets of each in a partnership that you’re doomed to failure.’

‘You get two local authorities and with the best will in the world you have two different agendas. You can’t avoid it not working as well.’

He cites the Teleport as an example. It would never have happened, he believes, if everyone had argued about whose patch it should be on.

Janice Whyte says a shared vision that everyone can shape is the key to successful partnerships. ‘You’ve really got to believe in that vision. It takes energy, commitment and altruism; recognising that others have agendas and barriers and you need a great deal of persistence to glue the pieces together.’

She believes people around the table in the partnership genuinely appreciate the sectoral differences that each are up against so it’s easier to agree to run with things.

Partnership in action

A concrete example of the partnership in action is how it managed the leasing of office space in the Teleport. Initially the university, since it was big enough, took on the lease even though it had no immediate plans to use the building. This allowed Leighton Internet to lease space from the university and in turn, lease office space to Northern Informatics and the City College’s Call Centre Training Suite.

Leighton Internet is now moving out to a nearby building in the Business Park to accommodate its ever-expanding staff. It has arranged for its vacated office space to be used as Internet incubator units. Paul and Gerard will supply fledgling e-commerce companies with mentoring, particular in the form of financial advice.

The Teleport is just one of the partnership's main achievements. During its first three years (1996 to 1999) the partnership laid the foundations for economic recovery not just through putting in the telecommunications capability but by investing heavily in training and encouraging the take up of ICTs.

Its inclusive approach was demonstrated to PAT 15, the DTI-led policy team commissioned by the Social Exclusion Unit to report on ICTs and deprived neighbourhoods. PAT 15 last year visited two quite different training centres: the Upstream Call Centre Training facility based at London Electricity's premises and Pennywell Community Business, based on a huge housing estate on the outskirts of Sunderland.

Trainees on the course at the Upstream Call Centre are often new to technology but not necessarily to employment. I talked with a former nurse, shop assistant, midwife and hairdresser. The majority of trainees, 384 to date, are there to change career direction and 98% pass the course and go on to jobs. Most are women although the Centre has managed to recruit 62 men and has a target to recruit 75 between January and June 2000. In terms of retraining people for a growth industry this is a successful investment for the Council, which meets 55% of the cost with ESF making up the rest.

It's a very different scenario at Pennywell Community Business where almost one in two adults on the estate has been unemployed for at least two years and 87% see little value in training opportunities. Few have links or networks or travel outside of the estate.

The magic ingredient

Pennywell focuses on giving people the key thing they need to re-enter the labour market: confidence and self-esteem. Trainees here simply wouldn't consider the formal training programme in a dauntingly professional business park to be 'for them'. Pennywell offers call centre training in a much more relaxed, informal and on-site setting. Last year 80 people obtained qualifications at Pennywell.

It is one of six Electronic Village Halls (EVHs) funded by the Council (Pennywell also receives SRB funding). Sunderland estimates that some 1,000 people use each of the EVHs annually.

Laughing and joking, some of the women told the PAT 15 team how, much to their amazement, they were researching and downloading multimedia resources from the web for class presentations within three weeks of joining the course. Not something I imagined all the visiting 'professionals' could have managed at that point!

Carol Hopper, one of the group, is now a full time employee at One2One. She made her first public speech at the official launch of the second Telematics Strategy, sharing the spotlight with Lord Puttnam, film producer and Chancellor of Sunderland University. She told the audience how the Carol Hopper that stood before them now was very different to the person that went along to investigate what Pennywell Community Business had to offer.

'I was determined to be a role model for my children that showed them there was more to life than living off the benefits system.'

'To think that I could make a career out of talking to people I found at the time to be an impossibility,' she said. 'The course was probably the hardest fun I've ever had in my life but look at me now. What it has meant to me in terms of my self-esteem and hope for the future is immeasurable.'

'Without the telematics strategy providing the opportunity for me to train and equip myself to become ready for work, without the support of staff at Pennywell and the encouragement of my employers, my story might have had a very different ending.'

Telematics explosion

Another key training provider, Sunderland City College, is seeing an explosive growth in intake for its Telematics Course: in 1998/99 there were 900 enrolments, in 1999/2000 there were 800 enrolments for the first of three planned intakes.

It's a tribute to the college's community involvement policy which almost amounts to 'education by stealth'! In addition to four main sites, the college has numerous outreach posts in schools and libraries. It has helped set up the EVHs through equipment, curriculum development and delivery. In the words of David Phillips, Vice Principal: 'We go out incognito. Many people don't at first realise it's the college delivering the course.'

He is clear that computer courses are key to implementing the Government's wider participation agenda. 'We get them by the back door. While people are ashamed to admit they can't spell or add up, they are proud to announce to friends that they're on a computer course,' he says. 'Once they're hooked, they will go on to do other things. It escalates from there.'

The college's outreach policy also runs to SMEs. Working with the TEC, it provides IT training in the office for businesses too hard pressed to free up staff to attend college courses. It also runs its own call centre training course, which is based in the Teleport. The course attracts young people who, in the majority of cases, go on to employment.

Hand holding for SMEs

At the business end of the spectrum, Fred Kirkland of the Washington Business Forum, was concerned about the slow take up of ICTs among SMEs. 'It was important to me that we weren't left behind. E-commerce should be driven out of need from business and that just wasn't happening. We all know the lessons from America, if you let things pass you by you either go out of business or get left very much behind.'

The business forum set up a website for the community of Washington (a former New Town and now part of Sunderland) and held 'hand holding' exercises for club members to introduce the concept of e-commerce. Now many of them have pages or linked sites to the Washington web site. The week I interviewed him, Fred was on target for a record 6,000 hits although he admits that a few are probably searching for Bill Clinton!

At the region's Centre for Electronic Commerce the University of Sunderland in partnership with QSP Netconsulting are pioneering web-based EU public procurement. Their eu-contracts website (www.eu-contracts.co.uk) gives companies instant access to the Luxembourg Tenders Electronic Database (TED), where all tender data must be published. TED is the online equivalent of the Official Journal of the European Communities (OJEC). While several websites charge for delivery of TED information, this is free on the eu-contracts pilot website.

The new service builds on the university's electronic procurement research project ELPRO. At the moment, an email notification service alerts users when a contract matches their parameters. The next logical step is to make available on the website software for producing OJEC official notices for tendering. The idea is for clients to upload contract documents and for suppliers to download documents for bidding. This could dramatically reduce the statutory tendering time from 52 to 20 – 25 days, according to the European Commission.

Third sector on board

Involvement with the voluntary sector and a major project linking library resources (see page 23) has also helped to encourage the development of ICT skills. So has the IT Ladder of Opportunity, a website giving details of IT courses to suit all ability levels. A visit to www.it.sunderland.com enables you to test your IT knowledge through a fun quiz and then search for the course you need.

At the Council for Voluntary Service's offices there's a web page design service for voluntary groups. Mary Baker, head of the CVS, worked with Janice during the initial development of the telematics strategy. They made a huge effort to include community groups with consultations that included lunch and a crèche facility. Mary's previous experience of being a voluntary sector representative consisted of being asked to join a partnership six meetings down the line when they suddenly realised they needed someone from the third sector. In contrast, the CVS was a member of the Sunderland Partnership from the beginning.

'Although the local authority is now obliged to consult, in Sunderland it isn't just a gesture. I feel there is a genuine desire for the whole community to be involved in decision-making,' she says.

Practical help for voluntary groups also includes ISDN access to the Internet provided through the Council's telematics budget.

While I can't find anyone with anything negative to say about the partnership, there are many with moans and groans about having to work within funding frameworks that don't allow enough time for consultation and tend to focus exclusively on hard outputs.

Chaos by numbers

'The government is going demented on numbers, ' is how one member puts it. Soft outputs, the confidence and new horizons that can open up through using ICTs to develop an existing interest, are not tickable. And yet, projects that enable people to acquire key skills almost through osmosis will deliver social inclusion outcomes that many formal training providers fail to achieve.

John Wilkins is project co-ordinator of the Hendon Hub, Sunderland's 'virtual' Electronic Village Hall – an electronic network for community groups working in the Hendon area (www.hendon-hub.org.uk).

'One of the groups recently ran a digital photography project. They suggested that people might want to take photographs of the local area, kids clubs and so on. No. They decided they wanted to photograph their tattoos instead!'

'But that's fine because the point is that people are picking up skills almost subconsciously,' says John.

Says Janice Whyte: 'The soft stuff is the essence of social inclusion. How do you measure being able to give people confidence?'

'I once asked the government office to give me a definition of innovative projects. They said, "we'll recognise it when we see it".'

'My definition of innovation is anything that isn't in the hard outputs box written at the bottom of every section in European or other funding programme documents. They can't give you a definition but they won't allow you to move outside the boxes. There's a problem there.'

It's a problem that can only be solved by a change of culture which reflects a balance between the security of black and white outputs and the messy grey areas of dealing with hard core social exclusion. That requires trust and it may be fair to say that pioneering councils – like those featured in this report – deserve some of that.

Key Success Factors

- A partnership that is truly greater than the sum of parts and not internally competitive
- Understanding that telecommunications are the 'new roads' – the key utility for attracting inward investment
- A chief executive willing to allocate resources to develop a telematics strategy at a time when the implications of Internet technology were not clearly understood
- A council manager with vision, flair and 'stickability' to drive the partnership on a day to day basis
- Training providers in tune with their emerging markets
- Understanding of the role of informal learning environments in tackling social exclusion
- Technical expertise amongst the partners

See www.sunderland.gov.uk

From Cosmo to Car Weekly – online at the library

Sunderland is the home of a unique cross-sectoral library collaboration known as the Libraries Access Sunderland Scheme (LASH). All 29 libraries in the city – public, college and university – are open to everyone. Learners can study in any of the 3,000 study places and have access to well maintained PCs. On hand are well trained, supportive staff to help with IT enquiries and provide learning support.

The libraries provide access to a database of electronic journals, which provides some 2,000 full text magazines and journals, ranging from Cosmopolitan to the British Medical Journal, and including vocational material.

‘This has given library staff an opportunity to introduce citizens to electronic information in a real way at the point of need,’ says Vilas Edwards, University of Sunderland Information Services.

‘For instance regular readers of Car Weekly can be introduced to the electronic version by showing them how to search for a particular car – something they could never do in print format. This method of introducing citizens to information handling skills is much less daunting than formal IT sessions, which many people in Sunderland may not attend.’

The high usage of the Masterfile database – there were 15,000 searches in the public library alone and over 70,000 journal articles have been browsed across the city in the last year – shows that this service is meeting a very real need. ‘It is a reflection of the success of a joined up approach to telematics and skills training in the city,’ says Vilas Edwards.

Making IT work in Sunderland

The City of Sunderland Partnership has responsibility for the city's Information Society strategy, which includes 160 projects focusing on making IT work for people, for business and for learners.

Partnership Members

- City of Sunderland Council
- City of Sunderland College
- City of Sunderland Forum
- Sunderland City TEC
- Sunderland Voluntary Sector Partnership
- Sunderland Area Health Authority
- University of Sunderland
- North East Chamber of Commerce, Trade and Industry

Over 200 people were involved in developing the strategy.

Projects

For a summary of all 160 ideas and project outlines, visit www.sunderland.gov.uk/telematics

The Key Strategic Projects

The Wheel of Opportunity (WHOOP)

Ongoing development of a municipal area network for Sunderland, the Wheel of Opportunity (WHOOP), linking users and providers of information through local connections to Points of Presence (POPs) established throughout the city. As they develop, POPs will link together by high speed digital circuits served by the Sunderland Host (see below). The network is open to all sectors and will enable, for example, primary care services to link to social service centres and businesses to link to their advisory and guidance agencies. Already City Council and University networks have been enjoined with over 133 schools and 21 library sites able to communicate across the network. A key feature of the network development in 2000 will be the opening up of POPs for business use and Electronic Village Halls through the city.

The Sunderland Host

Development of the Host as the primary Internet access service for the city of Sunderland is a top priority of the strategy. The primary function of the Sunderland Host is to facilitate effective access to electronically stored information through the efficient management of network interconnections and the distribution of Internet access. The Sunderland Host will continue to develop server and routing facilities to enable web-hosting and caching of local content.

The Teleport

Launched at Doxford International Business Park, with advanced satellite and terrestrial telecommunications links, the Teleport acts as an electronic gateway for the region. It will become the de-facto hub of the regional electronic economy and aligns Sunderland with global centres of e-commerce. Through the Wheel of Opportunity and the Sunderland Host and via the Teleport, Sunderland businesses can now develop data links with over 85% of the world's population. The Teleport has already achieved operational status and certification from the World Teleport Association and provides caching and routing facilities for the Northern Interconnect and Centres of Excellence network in the North of England.

The Sunderland Portal

1999 has been described as the year of 1000 portals. These area web sites which act as gateways to information and services on the Internet, targeted at meeting the needs of user groups which wish to access information and services configured to their needs and preferences. Portals often contain hot links to a very large number of web pages, search engines and other features to enable easy navigation and often dynamic input from media and entertainment services.

Portals play a key role in generating effective demand for online services because they offer service providers a high degree of probability that on-line materials will be viewed by the people they wish to reach. This is achieved by designing and developing the portal to respond to Internet access requirements and browser habits of the target group.

A portal service must be user-friendly and dynamic in order to beat off competition (from other portals, individual web sites and other media) for the attention of on-line vendors and customers. The most successful portals will stimulate new electronic markets and hence new business opportunities.

In Sunderland this will be achieved by circulating a multi-media rich CD-Rom to every household and business, giving the recipient an option to configure their PC access to the Internet through the portal site.

Electronic Village Halls

In Sunderland the development of Electronic Village Halls, located in library and community facilities, with Internet equipped PCs and support workers able to give professional advice informally, will ensure that everyone is able to access free internet services within walking distance of their home. Further development in 2000 will see new centres opened in Southwick and Houghton.

British Airways e-business takes off

“Local authorities are trying to achieve similar goals and it makes absolute sense to work together on developing the infrastructure and applications”

Kieron Gavan

E-life is a bit like quantum life – you need a completely different mindset to engage with it. Everything is turned upside down and it's extremely difficult to predict how it will all pan out. There's no turning back and like Alice in Wonderland it's pointless trying to impose the old order on the new. Better to forget about how things were done in the past and start with a clean slate.

Kieron Gavan, the manager responsible for British Airways' Internet Strategy says the Internet has turned a long serving economic model on its head. 'Now you've got high up-front costs and low transaction costs whereas before you had low up-front costs and very high transaction costs either because you're paying people commissions or you're sending out fleets of people to deal with each transaction.'

Instead of blanket coverage of promotional material to consumers segmented in the hundreds or thousands, new technology can increase market reach while delivering personalised promotions – perfect market information allows perfect consumer/product matches – all communicated for next to nothing once the machine is up and running.

BA has transformed the way it does business. Unlike the majority of companies whose e-business is purely business to business, BA has managed the whole job lot with both consumer and business markets integrated with its networks. Its e-business strategy includes connecting its extranet to companies and travel agents, allowing direct booking, and it is selling to consumers on the Internet worldwide.

Local authorities face even greater challenges. They will have to deal electronically with citizens, with central government, with suppliers and partners. They will need to take a lead role in developing the local telecommunications structure to ensure it is capable of delivering a socially inclusive digital economy rather than one where certain areas have the bandwidth necessary to attract business and others are incapable of being anything other than consumers.

High risk

Within the private sector, developing an e-business strategy is still viewed as extraordinarily difficult, high risk and most definitely very expensive. It is also a must. Even looking at the business to business scenario, companies that can't take their place in the electronic supply chain will be replaced by those who can.

But while similar challenges confront both the private and public sector, it is, as Kieron Gavan admits, much tougher in the public sector. BA and others can bring enviable amounts of resources to bear to maintain a competitive edge or simply survive; companies don't have the most vulnerable in society as a significant part of their customer base. Companies are not accountable to every citizen and his or her dog – just a group of shareholders. Neither do companies have to meet the stringent demands of funders with their little black boxes of hard outputs to tick – a healthy profit is enough.

Yet despite the differences, both sectors face similar issues when implementing an e-business or ICT strategy: money and people.

Who is going to own the strategy? How is it financed and what has to go? How do you deal with staff who see their jobs disappearing or altering out of recognition, or at least out of their own perceived skill base?

BA began to seriously consider its e-business strategy two years ago. Making the decision to move from a fairly passive web site to full scale transformation of the business was a painful process.

'The point in time when you take it out of the laboratory and start having debates about whether this is going to be mainstream or not, you run into all sorts of obstacles,' says Kieron Gavan. 'To begin with you run into organisational difficulties deciding who should own it. Should it be sales, because you've got a booking engine in there? Should it be marketing because you're getting all your customer communications messages across? Should it be customer service, especially when it allows customers to do online check-in? Or should it be strategy because it's part of the core strategy?'

'You have all these inane organisational debates and then some huge political debates which fall out from that: currently we sell 85% of our tickets indirect through travel agents – either through high street outlets or corporate implants. This is a huge threat first of all to the people at BA who are responsible for managing all that. Are they going to embrace it when their own roles are under threat?'

'Then you have these powerful external partners who realise that they've suddenly got to change their business models if BA goes down this new route. They don't want to flip over to the new infrastructure when they don't know quite how to do business.'

The other major obstacle of course is technology! Scaling up from an experimental web site that gets a few thousand hits a day to something you are going to put 50% of your business through – as BA intends to do by 2003, is as Kieron says, 'something completely different'. 'It has to be as reliable, as robust, as accurate as any other manner in which customers can touch us.'

BA chose Agency.com to design its website and in-house staff worked with IBM to build the e-commerce platform.

Funding

The finances don't add up either. As well as funding a significant investment – in BA's case tens of millions – in new infrastructure, there's the cost of maintaining the existing infrastructure.

'You can look to the future and say, well, this is a way of doing business that will grow your revenue, because you've got more reach than through traditional channels and you can have broader and deeper relationships with customers,' says Kieron Gavan. Something has to give though and at BA it was the decision to outsource its host inventory system and sell off its stake in another company. Hard decisions to make and traumatic, as Kieron notes, for staff who had spent their entire working life developing these investments.

It's hard too for the intermediaries – in the airline business this means the travel agents of course – not least since two years ago, at the time BA was starting to implement its e-business strategy, analysts were widely predicting the demise of intermediaries. Disintermediation was going to rid the world of travel agents who would no longer be required to tap the keyboards to get and compare airline schedules and ticket prices. The reality has been somewhat different and Kieron Gavan is clear that there is a role for travel agents, it's just a question of changing their role in the value chain. They will become infomediaries, adding value through specialist information.

'The thing they are really worried about is bookings. That people will book directly with an airline. But booking is just a piece of the transaction process. The only reason it is in any way politically or commercially sensitive is because somebody flying against that booking is what drives their payment. If a different part of the process drove them getting paid they wouldn't give a monkey's about booking.'

'So the way we look at it and the way we are trying to get them to look at it is to put aside the fact that this is driving your payment. Just think of it as a bit of process and if we can liberate that piece of process from the overall transaction chain then there is a cost saving in that overall process that we can share between ourselves, the travel agent and the customer. Let's work together on streamlining the process and then work out who gets paid for what.'

Local and central government agencies working to tackle shared problems such as getting people into work could find some pointers using this as a model. The starting point has to be how to make the process work better. Once that is done, then the decision can be made as to how the outputs and performance measures are shared.

Online

BA's definition of online includes anything that uses web enabled technology. Soon that will include people booking holidays through interactive television, through direct access to BA's extranet on the PC at work, through the Web at home or via a digital mobile phone – three taps will change your booking to the next flight home if you're running late at a meeting. Customers can reach everyone's favourite airline anytime, anyplace and through any communications channel.

Kieron Gavan is a councillor himself. What advice will he be giving to his own colleagues and others in local authorities about getting into the e-business game?

'It's got to be about partnerships. Partnerships between themselves and between themselves and private companies. The reason I say this is because it's an expensive game to get into. In the private sector we've got to think about the competitive environment. I don't want American Airlines to have some of the capability we've got. But even in the private sector you do see some examples of collaboration on expensive but generic requirements such as electronic ticketing. Local authorities are trying to achieve similar goals and it makes absolute sense to work together on developing the infrastructure and applications.'

See: www.british-airways.com

Bins lead way to IT revolution at Lewisham

'It all started with the Wheelie bins,' says Steve Pennant, Director of IS and Strategy at Lewisham Council. 'Lewisham introduced wheelie bins to the country and that brought the borough a lot of credit and a reputation for innovation.'

From then on, both Councillors and staff, from the Chief Executive downwards, pushed for innovation. 'There is a common understanding that to improve services you need to be constantly changing things. As IT came over the horizon and its importance in society grew, that culture of innovation naturally led the Council to try out new uses of IT,' says Steve.

The first IT initiative, which brought Lewisham celebrity, was Tellytalk, way back in 1995. At that time benefit take up was nowhere near as high in the north and south of the borough as it was in the centre, in spite of deprivation being higher in the north and south. Why? Because the only office where people could pay housing benefits and council tax was in the centre.

Lewisham asked Coopers and Lybrand to conduct an assessment of how much it would cost to open offices in the south and north of the borough. Their conclusion, that it would cost £3.50 per interview, was too expensive. The conundrum: people who found travelling difficult needed a local service and the Council needed to reduce its costs. The answer: a way of simulating an interview involving document exchange, because if someone wants to claim benefit they need to identify who they are by showing their rent or pension book or something similar.

Fortunately Lewisham had just won European money from the DALI (Delivery and Access to Local Information and Services) programme.

The Council worked in partnership with the design studios at Goldsmith's college. They ran a number of workshops with local people and service staff and looked at the ergonomics, the siting, the colour and the whole atmosphere, out of which they developed the Tellytalk desk.

Early Days

Things were not plain sailing at the beginning. Steve Pennant says: 'It's been a long road. In the early days it would take months to get a few hundred users. But we kept faith with it because the people who used it liked it. If you go over the road now to the new Accesspoint (the one stop shop) there are three Tellytalk booths right next to each other. They are busy all the time with people using them to access a range of different services.'

Interestingly, while the Cabinet Office's People's Panels have stated a preference for ICT facilities to be made available in banks and supermarkets, Lewisham's residents were clear they wanted Tellytalk in the Council's offices where staff were on hand to help.

Part of the DALI project involved producing web pages and providing Internet access in libraries to help open up access. When Lewisham looked at who was using these facilities the results were not quite what it expected. Instead of 'queues of male anoraks', two out of five users were women. Older people did not use it very much – although one in three users of Tellytalk was over 59. But there were also higher numbers of black and ethnic minority users than would be predicted by their proportion in the population. 'This all reassured councillors that technology was not just for geeks,' says Steve.

Possible reasons for the high proportion of black and ethnic minority users:

- Users tended to be young and the percentage of ethnic minorities is higher among young people
- Higher proportion of students are from ethnic minorities
- They were keeping in touch with their countries of origin
- Because of lower incomes levels, there were fewer with access from home.

Lewisham continues to investigate residents' usage of new technology. Every year it surveys a thousand residents, randomly selected but balanced out so that they represent the population profile in Lewisham. The survey covers telephone and Internet access in the home and attitudes to IT.

Why does the Council take new technology so seriously? Its vision is to 'make Lewisham the best place in London to live, work and learn'. It was important to find out in which sectors of the population there was either a fear of technology or a disinterest. While the Information Age can be an enabler, it can put up huge barriers if you're not connected. As Steve Pennant says: 'If you're in business and you're not registered on the Internet, you're not in the market place. Customers can't find you.' So the Council wanted to encourage local people and businesses to enter this new medium. If there were going to be more opportunities like jobs, learning, training, goods, services on the Internet, then people had to know how to access them.

Champion

The human driver behind Lewisham's progress with ICTs is Barry Quirk, the Chief Executive. Barry has been a champion for the use of ICTs in local government for some time and is one of the two local government representatives on the Government's Information Age Champions Group. It was Barry who actually wrote Lewisham's ICT strategy paper. It was partially based on discussions with Steve Pennant, but Barry contributed the principal elements himself and was able to make sure other departments got on board. The fact that it was written by the Chief Executive has added a lot of weight.

With Mayor Dave Sullivan's and Barry Quirk's commitment, it is not surprising that ICTs are at the centre of Lewisham Council's Corporate Plan. The plan has seven priorities and number four is to: 'connect Lewisham, its people and businesses to the opportunities of the 21st century through information and communication technologies'.

This includes new technology in schools and libraries, improving services through technology, doing business electronically, ensuring access to new technology and using it to consult local people. How is Lewisham putting this commitment into practice?

Connected community

The first stage was to run an 'open space conference' with the aim of exploring how to make Lewisham a connected community. Everybody who lived, worked or learned in the borough was invited. Some 140 people, from age twelve upwards, came to the Civic Suite one Saturday. They had the opportunity to raise topics and discuss them in groups. By the end of the day 40 groups had produced 100 recommendations. People voted on the recommendations and the votes were used to decide the order of priority. There was then an opportunity for volunteers to come forward to work on each of those recommendations.

One group came together to look at the refurbishment of old PCs to be used in schools. Now the Council has a section that takes old PCs and hands them over to a

refurbishing company who then pass them on to schools and libraries. Another group looking at 'information rich – information poor' came to the conclusion that awareness days were needed to let people know about ICT facilities available near to them. Another group is looking at ICTs for young people. Most of the work has been done in the south of the borough in Downham library, which has a very successful youth ICT space that is now being copied throughout the borough.

The council is involved in a number of working groups to develop local ICT strategies. For instance, there is an Education ICT Steering group, which has been very successful in identifying funding opportunities and in putting together projects. Lewisham is also leading the way in developing a local Internet economics strategy, focused on the town centre and benchmarking Lewisham against Camden, Nottingham and Bradford. The aim is to develop a robust Internet strategy for business, but they are also looking at social inequalities as well.

Links with partners

Lewisham sees new technology as a real enabler of partnerships. For instance in education, Lewisham College and Goldsmiths College are major partners with the Council and email is extensively used between them. There is now a shared website where partners have put together a lot of information to support teachers. The Council would value better electronic links with its partners in the field of health, but there are barriers of confidentiality, privacy, security and funding that still need to be overcome. However it is obvious that the ability to exchange email and share non-confidential documents would support joint working. They are also interested in working much more with local voluntary groups, national agencies and neighbouring boroughs. Then of course, there is the work with the Benefits Agency (See page 33).

In terms of extending its partnerships with central government, the Council has recently participated in a workshop at the Home Office exploring opportunities for co-working and possible joint electronic services. They are looking at sharing figures on crimes with the police, which would enable joint research on crime and the causes of crime. Another area they are looking at is sharing information about foreign students or people who have acquired UK Citizenship but who have not yet settled, so that the Council can help them to settle in faster. A third area is providing local services to central government.

Government bodies like the Home Office and the Benefits Agency are looking at how they can deliver their services on the high street. It wouldn't make sense to have every agency with its own one stop shop; it makes sense to have a combined Government one.

'From a central government point of view, you look at 400 local authorities and wonder how you are going to work in partnership with all of them. Then you look at the potential of Post Offices and banks and supermarkets,' Steve Pennant says. 'Local Government has to be in those debates. I don't think we need to be the provider of all local one stop shops, but I think we need to be in the debate and frame what those one stop shops should look like and have a role in their management.'

Drivers of the use of IT in the council

- Initially it was just to improve organisational effectiveness, for example general ledger, accounts payable, payrolls and so on, automating processes that were well understood, making them more efficient and cheaper.
- Now it's more about enabling communications between different parts of the council, enabling joint working with agencies, connecting with customers, suppliers and anybody with whom it interacts. It is a more effective communications tool than the telephone in that it enables documents to be displayed and shared.
- Lewisham is also very interested in electronic procurement, partly to reduce costs and partly to better track what it is buying.

IT department

A clear issue is the role of the IT department as other Council departments use new technology more intensively. Steve Pennant says: 'Different departments look to the IT department for technical advice and, to a degree, for project management. We know the problem with IT projects – we've had more pain than anybody. No programme is ever perfect or complete and so any finished system, whether you buy it in or build it in house is going to go wrong.'

A particularly painful IT experience was had with the implementation of the Corporate Payroll and Personnel System. The immediacy of payroll requirements invariably took precedent over personnel's; the implementation was rushed; the final product had reduced functionality and it took a long time to see benefits.

Lewisham though is fortunate in having a lot of managers who are aware of technology and the IT department sees it as part of its role to work at increasing their awareness. In the past it has held innovation days and would like to do more in the way of demonstrations and exhibitions. Suppliers are keen to be involved. All they require is for the Council to lay on the venue and they will come and set it all up.

The department sees its role as providing a stable robust network for the Council rather than just getting caught up in enthusiasm for the latest technologies. At the moment it is in the process of standardising PCs in something called 'the flexible desktop programme'. It's flexible because it is increasing the flexibility of staff, not because the technology is flexible. The aim is to enable staff to be able to use any PC in the council so that when they log on it becomes their PC.

It is the same idea as when there is a digital switchboard you can go to any telephone and type in your pin and it becomes your space. With PCs it's more complex because the profile you have on a PC is much more complex than the user profile on a telephone and there is a whole range of different software that has to be sent down the wire to the particular PC. It does, however, make the organisation much more flexible.

'It means that communication between Council officers is as perfect as it can be,' says Steve Pennant. 'When officers send attachments on emails, they need to be confident that the people at the other end can read that attachment whatever the words, figures or graphics in it. They shouldn't have to worry whether the recipient is using Office 95 when they are using Office 97 and won't be able to open it. It takes a standard technology to enable a flexible workforce.'

With an organisation the size and complexity of a council, this is a tough challenge and it's getting more difficult. It is one thing when all the PCs are on a fixed network, but mobile devices are increasing. Steve points out: 'We now have over 250 people – councillors and staff – who dial-in using telephone or ISDN lines. They connect to what we call our LAN-Rover so that they can work from wherever they are as if they were in the office. Again it's about flexible working, allowing people to work when and where it is best for them.'

Social care has helped to pioneer new ways of working. When staff go out and do an inspection they can connect from where they are, via a laptop, or they go back home and sign in on their home PC and file their reports. They can also go to what Lewisham calls 'touch down', open plan offices where desks are shared.

As part of its work on Best Value, Lewisham is soft market testing its IT services.

The bigger issue at the moment though is centralisation and standardisation. Steve Pennant says: 'We've been a very devolved Council so we don't have a good email system across the Council. And we've got more platforms than Clapham Junction. We think that's because of the disparate management and we want to work on that.'

'You really have to take an almost Stalinist command economy approach: "thou shalt have this PC and use only the applications on it!'

He feels that it is only when everything is centralised and they are actually managing the whole network with everything connected to it as one entity, can they really consider outsourcing. Only then can they really compare the options.

Key Success Factors

- A culture which encourages innovation and sees change as a necessary part of improving services
- Customer focus – concentrating on meeting the needs of citizens rather than simply on departmental efficiency
- Involving citizens and staff in identifying issues and designing solutions
- Active in promoting partnerships, both local and national, and identifying how ICTs can facilitate both partnership working and joint delivery of services
- A clear vision as to the Council's role – much wider than just service delivery and encompassing economic and social development
- Leadership from the top with ICTs placed at the heart of the Council's Corporate Plan
- An IT strategy that is corporate and is building a standardised system to facilitate ease of communication across the council
- IT awareness by managers across the Council and a commitment to ensure that managers keep up to date in their understanding of the potential of IT to support their business objectives

See www.lewisham.gov.uk

Inability to share data and funds is major obstacle to joined up services

“We’ve always been focused on customer service but we’ve not always been looking at it from the point of view of the customer”

Lynn Conolly

‘Customers prefer to deal with us as one body. They don’t really appreciate that we’re two different ones. They prefer one form, one visit and one review,’ says Lesley Burr, Head of Public Services, London Borough of Lewisham.

The view from the customer is the whole point of the Modernising Government White Paper. Lewisham’s recent award for its integrated housing benefit and income support service is a significant step to achieving it.

Customer benefits include having claims speeded up by sixteen days without the need to fill in up to four claim forms. Electronic data transfer between the Benefits Agency and Lewisham, combined with integrated claim forms, has resulted in £300,000 savings in overpaid benefits in the first year for central government.

This, coupled with its new one stop shop Accesspoint and the roll out of Tellytalk, the Council’s video conferencing link between citizens and staff, gives flexibility to the customer access strategy Lesley Burr is developing with the help of Arthur Andersen Business Consulting.

‘We don’t want to get caught planning just a corporate call centre when customer trends are going to move so that they become more Internet and web-based,’ she says.

‘We’re looking at a whole integrated customer service strategy so we can have a pool of staff which is flexible enough to be deployed across a number of access channels.’ Lewisham’s plans also include setting up a Front Line Academy for staff. It aims to improve the quality of seamless, front of office services.

Building customer demand for e-communication channels means extra resources can be directed to home visiting for vulnerable people.

Barriers

However, there are some key lessons from its award winning integrated services pilot that Chief Executive Barry Quirk, one of two local authority members of the Government Information Society Forum, would like to share with central government colleagues.

The key barriers to improving the Lewisham model are not necessarily the cultural upheaval ‘out of the silos’ thinking imposes on staff, but data sharing and the lack of flexible funding mechanisms.

‘The big problems that we have not been able to overcome have been data sharing and funding. It’s been incredibly difficult,’ says Lesley Burr.

‘If the Benefits Agency can do something for me better than I can, I’d prefer them to do it. But there’s no kind of mechanism for me to transfer money to them. And data sharing is a real battle. It means that we end up asking customers for information we know is already in the system.’

Lesley believes the problems can be overcome and offers the example of Visa and other financial services where sensitive data is managed through a set of protocols all organisations must adhere to.

Other key lessons from the integrated services pilot focus on cultural issues with the Council and Benefits Agency staff finding out about each other’s strengths and weaknesses. Cultural issues can be overcome, but it takes time.

To begin with, both sets of visiting staff remained in their own offices. It quickly became apparent however that electronic communication couldn't replace face-to-face and eventually the two teams moved in together – at the Benefits Agency.

The flexibility afforded to Lewisham managers is something Benefits Agency managers simply don't have, believes Lesley Burr.

'I have my objectives. I have my budget, and I've got opportunities to raise revenue through over payment recovery. If something isn't working, well, we can put in our change control process. Benefit Agency managers can only change procedures within a formal approval process. They face a lot of hurdles. I think I found that strange – that we have a lot more freedom to act than they do.'

Lynn Conolly, Senior Strategic Manager at the Benefits Agency knows only too well the frustrations that having to get changes verified by a long line of solicitors can cause. 'It's hard coming back from meetings and having to say "can we?". But changing one corner of the BA will always affect another.'

This does not deter her and her colleagues from keeping the big picture – what's best for the customer – at the forefront. 'We've always been focused on customer service but we've not always been looking at it from the point of view of the customer. What we're doing now is practicing the art of the possible,' says Lynn.

This includes looking at how the Benefits Agency can work in partnership with other local agencies – such as Age Concern.

People first

There have been lessons learned from each other. For the Benefits Agency it has been the experience of working within a much more can-do culture which has helped to challenge entrenched organisational attitudes of 'we've always done it this way'. For Lewisham, with its enviable greater autonomy, it's been learning to do a much more thorough evaluation of projects.

'We've also learnt that the people issues are more important. Technology is just a way of doing what you want to do more quickly,' says Lesley Burr.

'You must never forget that it is about building up trust. You have to meet together, understand other people's business and give them time to understand yours.'

'The second point is that you have to get the paper processes right so that you don't get "rubbish in, rubbish out".'

In terms of taking Lewisham's staff through a change process, Lesley believes it's vital to invest in people to get their commitment.

When Lewisham introduced document image processing, for example, the emphasis was on involving staff in re-engineering processes and training staff to become trainers.

'IT allows shortcuts in processes. The key lesson is not to make short cuts in terms of delivering change to staff,' she says.

Lewisham's attitude to its employees: there's no such thing as a job for life, but our staff are our greatest asset, reflects the Chief Executive's view of the Council's role in the Information Society where skills are fast changing. Says Barry Quirk: 'A major role for the Council will be to identify and motivate those who are less comfortable with change to adapt to new technologies.'

Prototype

As a result of the prototype piloted in Lewisham, many other authorities including York City Council and the Northern Ireland Housing Executive are now using electronic data transfer.

The model of an integrated claim form has been taken on board by the ONE Pilot, which is looking to integrate the job seekers allowance, income support and housing benefit.

However central government policy changes may jeopardise a joined up approach to benefits provision. The new verification framework has changed Lewisham's policy of concentrating visiting on risk areas to having to check and double check on claimants. The Benefits Agency meanwhile is grappling with Programme Protection. This heralds a change from a volume-based to an incentive-based scheme whereby targeted visits are made to help combat fraud.

'As the national strategies change, the scope for working together is less than it was in some areas,' says Lesley Burr.

IT gives Newham lead role in Best Value

That Newham is well on the way to meeting its Best Value targets comes as no surprise. Its legendary rise up the London performance league tables, the numerous awards for being at the cutting edge of technology and the recent despatch of its Chief Executive to head up the Audit Commission's Best Value Inspection Team, have all made the headlines.

Newham is aiming for a 10% increase in quality and a 5% decrease in costs over three years as a pilot authority that is putting all its services through the Best Value process. It is at the end of year two and on track to achieve these targets.

It could have been very different. When Simon Norbury, Deputy Director (IT and Business Management) joined Newham in 1989, senior managers had no confidence in IT systems. They cost too much, took ages to install and often didn't work. Hardly likely then that in the not too distant future it would be IT developments that laid the foundation for Newham's lead role in developing Best Value.

'Two weeks after joining Newham the Deputy Chief Executive asked me why it was that every system that we ever bought was never any good,' says Simon Norbury. 'We were able to turn it around in four years. We gained ISO 9000, our systems no longer fell over, we had procedures at night, implementations worked and things went in first time. IT became respected as a well run part of the Council.'

Quality first

'Only when we had put quality in place did we become more innovative. Part of the reason was the Compulsory Competitive Tendering situation. It became obvious to me that the danger was that we would end up winning our contract but if all our customers lost theirs, and I didn't see them making the kind of innovative changes that we were making, we could end up with 100% of nothing. There would have been no purpose in having an IT department in its own right unless we had some customers!'

Simon was then given responsibility for another troublesome part of the Council – council tax.

'We collected 68% of council tax in the first year, close to bottom. We've made a lot of changes and put a lot of IT in there: document imaging, email and a complaints database. We used them as tools to achieve what I wanted to achieve, not IT for IT's sake. IT was used to speed up the process, bring efficiency, get rid of filing problems and stop the loss of documents.'

The result: a four per cent increase in tax collection for the first three years, up until they won the CCT contract and one per cent a year since then. The savings they have made from the CCT contract amount to £500,000 a year (even taking account of the IT investment).

Next came the creation of a fully postcoded corporate database with a front end interface developed in-house. It delivered a few surprises: Newham found it had 5,000 properties it didn't know about and more people on housing benefits than lived in the borough!

'The major savings we are getting are through having a unified front end to a unified database which cuts out swathes of administrative work,' says Leo Boland, Assistant Chief Executive (Corporate Services) who leads on Best Value.

'It isn't Best Value alone in Newham,' says Leo Boland, 'it's bringing them all together that's the trick: Best Value, customer focus, IT strategy, corporate strategy, and training senior managers.'

Leo directs eight cross-departmental Best Value Theme Teams, which are building on the service reviews carried out in year one of Best Value. The theme teams follow on from the success of the Top Managers Programme which was critical in preparing Newham's 160 senior managers for the Best Value review process. Managers were asked to lead on projects that were outside their departmental responsibility and which involved working closely with other departments.

'A corporate IT strategy has been critical. Email allows you to get out of the departmental silos and start working out of those constraints completely,' says Leo Boland.

'You cannot survive and prosper in Newham if you are not entirely IT literate. That's the message that senior managers understand. In the Top Managers Programme a few years ago people were complaining that email was ruling their lives. Now they realise that this is how they will prosper.'

Customer first

Managers, for example, are now keen to use web publishing as part of a much more proactive marketing approach to their service development, inspired by the competitive drive of Best Value.

Managers' first loyalty these days is to the customer and not the department. 'We were discussing the annual planning process at an away day. Everyone had invested a lot of time in their annual plan. Then one director said, "why don't we just have one plan this year?" Four years ago there would have been total mutiny but everyone immediately agreed,' says Leo Boland. The corporate plan, or the backbone of it, is now produced by 120 managers in one day working in cross-departmental groups, equipped with laptops.

Mistakes in Newham's non-corporate past have been costly. One example is Geographic Information Systems (GIS): everyone bought their own and they were all different.

'They could have all bought the same system, but they ignored my advice and each department chose a system that best met their particular need rather than taking a wider view and buying a system that would integrate with other departments to be able to provide a better service,' explains Simon Norbury.

'People seem to think from a professional's viewpoint, not from the viewpoint of the public. We missed an opportunity and we will have to replace their systems.'

'It's interesting though,' he adds, 'they've now come round and said, "Well, you were right".'

To fund its investment in IT Newham borrowed from its 'war chest', an investment fund created in 1994 when the Council decided to take projected cuts for the next five years – up front.

Last year the Council met a projected £8million deficit through its savings from Best Value.

'When colleagues from other Councils say we don't have a million to spend on a new system I ask them how can they not have a million if they want to make savings next year,' says Simon Norbury.

The roll out of six local service centres (1999/2001), the new 24-hour call centre, development of smart cards, on-line access to services, a data warehouse and electronic voting from home are now possible because of Newham's IT investment.

The local service centres were set up following public consultations involving a demonstration of a mini service centre linked up to state-of-the-art technology: by a ratio of 5:1 people said that they would prefer a network of centres replacing the existing Council offices. Beckton Globe, the first local service centre, receives some 33,000 visits a year.

The Council has developed a Customer Action Tracking system, for use within the Local Service Centres and the developing Call Centre. This enables all customer calls and contacts to be recorded and plans of actions to be monitored. The customer receives a record of the visit, the problem, planned action and target dates resolution. The system provides a complete record of all customer contact and a full audit trail of the activity promised and undertaken. These customer records are linked to all correspondence recorded on the Corporate Document Imaging System, which scans in all written material, electronically, so that it can be stored and retrieved at the push of a button from almost anywhere within the Council.

Smart school meals

Newham is piloting smart card development through cash-less payment for school meals. The aim is to increase efficiency of school meals processing and eliminate the stigma of free school meals. The first field in the smart card will be the unique reference from the corporate address database. The smart card immediately becomes part of the Newham database and can be used as the key to accessing systems either from set top boxes at home, kiosks or any other access point. Newham is being prudent in its development of smart cards, making sure it integrates with other local initiatives, for instance with the planned London Underground smart cards ticketing system.

One of Newham's latest ideas is to develop a corporate debt database. Simon Norbury explains: 'We have great problems collecting money so a research group is looking at bringing all our debt systems together – council and business tax and recovery procedures.'

'For instance, we were dealing with two brothers in the borough, one had property we rented and one owed us lots of money. They were very shrewd in how they operated, one owed and one collected money from the Council. If we could actually go across the Council we'd probably discover a whole range of things like this!'

Newham is very keen that applications developed for the Council's intranet can be extended to the wider community: 61% of whom state a preference for home access to on-line services. One example is extending distance learning programmes into the home.

Managers in Newham have access to a distance learning programme managed by the University of East London and distributed via a link to the Council's intranet. Staff at Newham training with the Institute of Customer Services, can log onto a training site on the intranet and keep up to date with the latest coaching programmes and support material. These experiences will prove valuable in the development of distance learning programmes available for all of Newham's residents.

Data warehouse

Newham's data warehouse will be a key tool for managers in the planning process. It takes time though to really grasp its potential and understand how best to exploit it. It's very much a new concept says Simon Norbury.

'There's nothing being spewed out by the warehouse. It will just sit there until you ask it a question. If I am brutally honest, as a Council Tax Manager I sometimes don't take the time out from day to day duties to stop and think about what sort of information would enable me to improve my collection rate. I don't think other managers take the time either to think about how they can exploit the data warehouse.'

He does however believe that since Newham is part of the New Deal for Communities, people are starting to look at things from a different point of view. 'They're taking a wider perspective and asking questions that require an integrated data warehouse to answer,' he says.

'We do the classic things like other Councils. For instance in social services we want to save a pound so we reduce support to individuals. But if that person is a single parent, for example, if little Johnny is staying at home to look after his mother who is poorly, then social services saves a pound but we spend ten pounds on trying to get him back to school. It would be better to spend the pound to support the parent in the home. It's being able to bring together information like that,' says Simon Norbury.

Simon is leading Newham's Best Value team that is looking at the concept of the 24-hour council, a subject guaranteed to challenge traditional thinking. 'Even so it's very hard work to get government officers to think out of the box. But what we're trying to do is actually challenge things,' he says.

Do the public really want a 24-hour library service? If so, are fully qualified librarians really needed to hand out books – why can't the public do it themselves with just a security guard staffing the premises overnight? What about the fact that the Newham College library is right across the road from a Council library? Why not merge them to create a truly excellent one?

'As officers we're frightened to put up reports that don't get accepted. Why not put it on the agenda? If members turn it down, well fine, but the next time they're looking for cuts, they may remember that report and may well think it's better to merge libraries than cut a service.'

Electronic voting

Newham is big on consultation and a major community consultation last year made use of electronic voting for the first time. Five hundred people packed into Stratford Picture House for two hours on a Saturday morning in June to cast their vote on a number of options related to living, working and learning in Newham. They used handsets to vote after watching a screen presentation outlining the issues.

'We wanted to have some sort of mechanism whereby people could feel instantly involved in the whole process,' explains Dhanwant Rai, Research and Intelligence Officer.

'That's where the idea of using handsets, like the ones on TV quiz shows, came from. Something that was familiar to people but which would also give us instant results. People had confidence in the results. They could see that they were not being tampered with.'

“You need certain structural things in place before you move forward: IT and a good financial strategy”

Ita O'Donovan

'We were looking for responses that would give us some direction. On street cleaning for example, we asked them whether resources should be diverted from other services, whether we should spot-fine people or invest more on educating people. People wanted a combination of spot fining and education.'

The handsets and software (plus laptop and screen) can now be used to get instant decisions at, for example, tenants association meetings. Soon the development into people's homes will include on-line surgeries and voting.

'Using the postcoded database we could check out very local issues such as what people think about a nursery being built near them,' says Dhanwant Rai.

It's unlikely though that electronic consultations will ever replace Newham's listening days when managers get out on the street and ask people what they think about their services. While the market research people are a bit sniffy, the word on the street and the results of annual surveys are very consonant.

Neither is it likely that the Council's intranet, with everything from the internal telephone directory (the killer application) to classified advertisements (very successful – good place to find a bargain) to a place for employees' suggestions ('we act on sensible comments, sanitise the worst stuff but on balance feel we need to let staff make anonymous comments'), will ever replace one-to-one communication.

'Nobody would deny the importance of IT but we also have to think of other mediums of communication and at the same time note that face-to-face is the best. All the evidence shows that it's the best, so we have to try to keep that in balance,' says Ita O'Donovan, Head of Strategic Human Resources.

Ita O'Donovan believes the key to Newham's success is its successful integration of IT to facilitate cross-departmental working; an investment strategy to realise the vision and a clear human resources strategy to take staff with them. 'You ignore any one of these at your peril,' she says.

'You need certain structural things in place before you move forward and Newham had the two key ones: IT and a good financial strategy,' she says.

'You also need to engage people in developing a commitment. You need to train and support them. IT is a great facilitator and a central part of the infrastructure.'

'The other important thing in relation to Best Value and organisational development generally, is that our Best Value process has been very strongly led by our Leader, Robin Wales. All Best Value reviews go to the Leader and he has spent a lot of time engaging in the review of services. In Newham there's a very close relationship between the political will of the Authority and the Best Value process. It concentrates the mind wonderfully!'

Partnership

Richard Steel, Head of IT, is also vice chair of Newham On-line (See page 42), a cross sector partnership that is developing an extranet (a network of networks), and a portal, (a web gateway) for Newham.

He is very clear about the importance of Newham's network being part of wider networks to open up access and drive down costs. The Council's network is part of Newham's On-line Extranet which joins together four major networks: the university, the college, the Council and the local Community Health Trust. This in turn is part of the East London and Lea Valley Teleregion, a fast ATM network covering six London Boroughs.

This is all part of the Council's willingness to work in partnership. For instance it is happy to share applications such as its customer tracking system with other councils, providing that they make available any further developments they make to it. Newham is also happy to use systems invented elsewhere, such as Lewisham's Tellytalk.

'There are some big problems in getting Council's to work together. There's the "not invented here syndrome", politics and issues driven by suppliers – it's not really in their interest if we all work together. But we do think it is important that we start breaking down some of these barriers,' says Richard Steel.

Central Government's lack of joined up action also remains a problem. The Employment Service refused to give Newham direct access to its labour market system via PCs in the new local service centres. While the Employment Service eventually agreed to provide access from its own PCs – sitting next to the Council's ones – these still haven't materialised and the whole scenario is patently ludicrous. Again, it's down to number crunching. Whilst Job Centres are funded on the basis of numbers they get into work, it clearly isn't in the interest of the Employment Service to let local authorities find people jobs.

Roll out of the Government Secure Intranet (GSI) – linking all central government departments – is also painfully slow for ICT-competent local authorities.

'They are way behind us and we can't deliver properly joined up government unless they are able to join up with us,' says Richard Steel.

A final word on IT from Richard: 'It is hard to draw boundaries around any of this stuff anymore. Document image processing, corporate databases, call centres, local service centres, computers in the home. It's all the same thing. As IT managers we are just talking Internet these days. That's all there is to it and we do believe that it is probably the most important resource that any organisation has available to it.'

Key Success Factors

- Created the resources, developed the people and invested in IT at an early stage
- Absolute commitment by Leader, members and Chief Executive to achieve major improvements in every aspect of the Council's business
- Senior managers understand the potential of technology and use it themselves
- A culture which considers IT managers as integral to the process of transforming the way the Council does business
- Creation of a 'war chest' to fund large investment in IT
- It takes a long time, but a cleaned up and fully integrated corporate database is critical
- Significant investment in training managers to think from the point of view of the customer and think the unthinkable in order to eliminate departmental mindsets
- Creating the image that Newham is synonymous with IT – there's no hiding place for managers who don't grasp the big IT picture
- Always looking at how internal applications can be rolled out to benefit the community
- Willingness to join with others in extending networks and developing applications, despite the inherent difficulties and frustrations

See www.newham.gov.uk

Newham online to prosperity

Newham, the second most deprived borough in the UK, is well on its way to becoming a leading UK centre for information and communication technologies (ICTs), thanks to a vision realised by a successful partnership between the public, academic, private and not for profit sector.

By 2000, the Newham Online Partnership will be well on the way to achieving its aim of providing an accessible, cost effective and socially inclusive broadband network. It will have:

- Developed and supported partnerships of local organisations that are using the Internet to secure local social, cultural, educational, economic, political and personal benefits
- Linked together the computer networks (wide area networks or WANS) of Newham Online's major partners, enabling them through this network of networks (an extranet) to create a fast and secure environment in which to deploy broadband applications, share resources, offer integrated public access to services and cut costs. The Newham extranet is believed to be one of the first cross sector co-operatively developed networks in the UK
- Created a Newham Internet 'gateway' or 'portal' that will provide easy access to Newham-related information on the World Wide Web. Using the domain www.newham.net, it will provide search facilities to find content on any Newham-related web page
- Applied for and possibly achieved Public Telecommunications Operator (PTO) status so that the extranet can be extended to more than 20 local organisations within the framework of current telecommunications legislation
- As a PTO in the new millennium, Newham Online will trade as a provider of telecommunications services (Internet and possibly telephony), achieving cost reductions for local users, from individuals to large organisations.

The partnership includes Aston Charities, Business Link – London East, Computer Access, East London & Lee Valley Teleregion, Focus EI5, Marconi Communications, London Borough of Newham, London East TEC, Bushbang Cyber Cafe, Newham College of Further Education, Go2Find, Newham Recorder, Newham Training Network, Newham Young People Online, NewTec training centre, NewVIC Sixth Form College, Town & Country Signs, UK Citizens Online Democracy, Communities Online, and the University of East London.

What will this mean for the people of Newham and current and potential investors?

e-education

- Newham's first online community is Newham Young People Online (www.youth.newham.org.uk). With members as young as 11, NYPO runs its own web sites and mailing lists as well as creating online animations and music. The fact that Newham has one of the youngest and most ethnically diverse populations in Europe, is a major advantage in developing online content and services that will have international appeal
- The connection of every school in Newham to the Council's network will open up a whole new range of online applications for students and teachers. An e-community of teachers, for example, will enable all heads of year in Newham secondary schools to pose questions and get immediate and direct feedback drawing on the experience of a whole community – much more cost effective than general training and conferences
- The University of East London can now provide video and audio distance learning material over the extranet. Its Business Development Centre is already providing online learning opportunities for Council managers using bandwidth made available by the extranet.

Wired sites will be major development magnets for all sorts of businesses

e-business and regeneration

- A critical mass of Internet-based activity is a pre-condition for commercial investment
- As is cheap and plentiful access to the Internet – an abundance of bandwidth is the equivalent of transport networks opening up a new site
- With 73,000 people soon to be linked to Newham Online's Extranet via 13,000 computers, the area is a perfect testbed for company products and services – in return for investment
- Newham's digital environment – which makes use of cheaper infra-red and microwave links from its much damned tower blocks – could pull new media industry developments eastwards on an even bigger scale than Canary Wharf has pulled financial services. The Digital Media Alliance has forecast a 20% a year growth in the digital media industry over the next decade
- The opening up of worldwide trading relationships which are rooted in e-commerce, for example with the Indian sub-continent.

e-community

Through its extranet and by becoming a Public Telecommunications Operator (PTO) and Internet Services Provider (ISP), Newham Online will provide residents with e-community life that is as varied as it is in physical life. Through cheap Internet connections, Newham will become engaged with the global life of the Internet and become 'e-politan' – as it were!

e-health

The Virtual Reality Research Laboratory at the University of East London is working with the Regional Neurological Rehabilitation Unit at Homerton Hospital in Hackney, enabling stroke and brain injury patients suffering from amnesia to re-learn their way about through practising in a virtual hospital environment created on a personal computer

e-research

Learning about change is fundamental to making it happen. Newham Online is a collaborative means of learning for a whole range of Newham organisations and individuals. It is not only a means of e-community development, but also an e-laboratory for the borough.

See www.newham.org.uk

IS Communications Ltd

IS Communications Ltd is a company focusing on Information Society issues. We specialise in identifying joined-up solutions to help citizens, consumers, companies and Government to communicate and do business using new technologies.

Our customers include local government, regeneration partnerships, health authorities, businesses, TECs, Universities and not-for-profit organisations. We help them to work in partnership to deliver joined-up services to improve the local and regional socio-economic base.

Because of our expertise in ICTs and socio-economic issues we contribute to policy forums at a local and national level. We provide consultancy, advice, run seminars and conferences, manage research programmes, provide marketing, PR and communications support.

Our services include:

- Consultancies to local authorities and regeneration partnerships re ICTs and people/socio-economic issues
- Consultancies to businesses and TECs on understanding e-commerce and assisting in the development of a local digital economic development strategy
- Conducting local network audits as the first step towards developing local broadband connectivity
- Assisting in the development of local cross sector Information Society strategies
- Research on Information Society issues
- Seminars and conferences to help develop people's understanding of the role of new technology in better government, social inclusion and economic regeneration
- Organising community web design days to raise local awareness and build community portal sites that are relevant to the needs of local people.

Staffing

IS Communications has two directors: Samantha Hellawell and Michael Mulquin, and a network of associate consultants.

Michael Mulquin

Former Executive Director of Communities Online. Chair of Newham Online and Chair of Newham.net, a company working towards becoming a Public Telecommunications Operator. He has many years' experience working with public, private and voluntary sectors to deliver informatics strategies. He is a Founder Member of the Internet Society of England and a board member of the European Association for Community Networking.

Samantha Hellawell

Former Community Programmes Manager at IBM and before that Head of Communications for the National Council for Voluntary Organisations. Fourteen years' experience of public affairs work, the last five specialising in social inclusion and information society issues. Winner of numerous awards, including a BAFTA, for technology projects. Former member of DTI Policy Action Team looking at ICTs and Urban Renewal.

See www.iscommunications.co.uk

Today's changing marketplace is affecting the way local government operates. Faced with rapid technology advancement, the e-business revolution, the drive to achieve Best Value and deliver seamless, citizen focused services, local government organisations are taking a new look at how business and IT services can help them.

Local authorities face tremendous pressure to reduce spending on the one hand and increase the level of service provided to the public on the other. Those that have been successful have at least one important factor in common: a fundamental redefinition of service delivery strategy accompanied by the innovative use of information technology. They recognise the value of an improved information infrastructure and see information technology as a primary engine for revolutionising how they fulfil their basic mission.

But wiring the world to do this in the age of e-business is an incredibly complex task. Its complexity has created more demand for a services provider delivering true business value with the widest array of IT service-related solutions. IBM is the only company that can provide full end-to-end solutions with unmatched business and technical expertise, regardless of vendor or platform. IBM is a world leader in assessing local government business and ICT needs from a strategic consulting perspective. We plan, design and implement initiatives that support your strategies, focusing on business transformation, e-business or ICT infrastructure.

As the Internet takes its place alongside other great transformational technologies that first challenged, and then fundamentally changed the way we communicate, the implications for local government bodies are far reaching. This transformation, matched with the power that local authorities wield – as employers, as buyers and as agents for economic growth – presents public sector leaders with enormous opportunities.

Governments at all levels, all around the world are reinventing themselves with IBM's support. Empowered by IBM's e-business solutions, they are changing how they work, collaborate and serve their constituents. The rapid growth and acceptance of this new channel of communicating is placing increased demands on government agencies to comply with the public's growing expectations. In responding to these demands, it is not enough for governments to simply automate their current ways of doing business. With the new tools of a networked society, local government must completely rethink and re-engineer itself. By taking full advantage of the information society, it can both provide better services for its citizens and use its special powers to improve the public's quality of life.

IBM can offer a broad range of products, services, solutions and experience to help local authorities maximise the return on current and future technology investments, as they face new challenges. By using IBM e-business technologies and solutions, departments can slash procurement cycles, improve management functions, and better deliver services. Our solutions are designed to help government bodies at all levels grow, building on existing systems, securely linking those systems to internal networks and to their citizens through the Web. IBM's local government team is well positioned to offer:

- e-business solutions that make public access to government more convenient, enhance government services, improve core operations, and accelerate economic development.
- e-business expertise that brings a deep understanding of government needs, as well as the skills and resources to design, implement and maintain superior solutions.
- e-business building block products and technologies that are fundamentally helping shape the business of government.

By the year 2010, up one billion people will be connected to networked services using electronic commerce, knowledge management, self service kiosks and enhanced learning to keep informed or to be entertained. Governments can become more efficient and provide higher levels of service by exploiting new information technology. As the world increasingly moves to an e-business environment, no business, no government, can afford to be left behind and IBM would be delighted to assist you on this exciting journey.

Michael Wright , Local Government Manager, IBM United Kingdom Limited