



Embrace your digital citizen

UK Local Government Citizen
Experience Excellence 2023-24

KPMG. Shaping Citizens' Futures, Together.



Foreword

Navigating the balance between cutting costs, enhancing service delivery with new tech like Artificial Intelligence (AI), whilst still maintaining citizen trust, is a formidable challenge for the UK Government and public sector.

Our research this year on public sector Citizen Experience Excellence, shows that while progress is happening, government services are still designed and optimised in separate silos rather than around citizens' holistic needs, significantly impacting satisfaction.

Increasing numbers of respondents are unhappy with being able to find information and navigate government services smoothly, leading to an 11% drop in satisfaction from 2021 to 2023.

For the first time, satisfaction with digital interactions is higher than with human contact channels. But digital improvements have primarily occurred for specific departments, products, or services, leading to inconsistent and fragmented experiences. This approach falls short for digital citizens who want seamless journeys tailored to their individual circumstances and needs.

This dissatisfaction underlines the need for a radical reshaping of the relationship between citizens and public

services. Services work best when they're built around people's needs, not just on the organisations providing them.

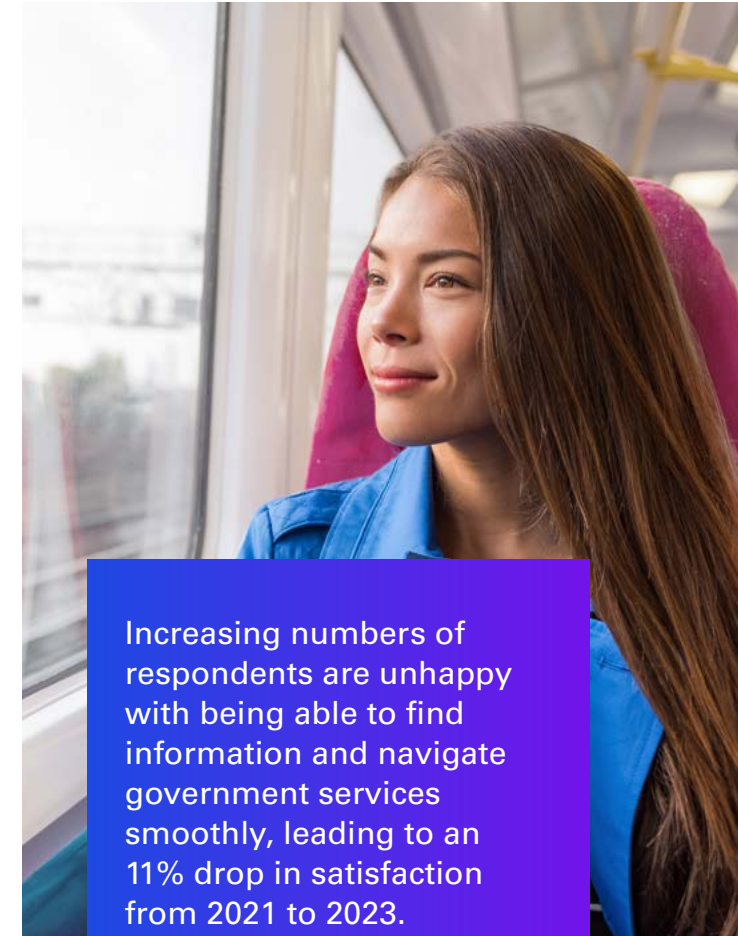
This means a major shift in how services are designed and delivered. We need to constantly improve services to meet the changing expectations of today's digital citizens.

There is a clear and present opportunity

The good news is that there's never been a better time to take action. Today, we can create seamless digital experiences for citizens from start to finish, with user-friendliness and quality that were unimaginable just a decade – or even five years – ago.

This opportunity is boosted by the rise of the digital citizen, accelerated by the pandemic, which has increased digital literacy among people of all ages in the UK. Now, individuals are more comfortable navigating advanced technologies.

When it comes to embracing digital transformation, our research highlights three key themes that need attention: the balance between cost and value, the crucial role of emerging technologies (such as AI), and the essential element of citizen trust. These themes emphasise the need for an approach that prioritises citizens.



Increasing numbers of respondents are unhappy with being able to find information and navigate government services smoothly, leading to an 11% drop in satisfaction from 2021 to 2023.

Improved end-to-end citizen experiences lower costs and improve satisfaction

The research indicates that simply fixing the basics will greatly reduce failure demand, resulting in lower service costs and better experiences. Two key areas where focusing on digital solutions can make a big difference are:

Prioritising First Point of Contact Resolution: By ensuring that citizens can resolve their issues at the first point of contact organisations can reduce contact through more traditional, expensive channels. This not only reduces costs, but also enhances efficiency and convenience for citizens.

Proactively Informing Citizens: Keeping citizens informed and up-to-date through digital channels can significantly reduce the need for them to reach out for information or assistance. This proactive approach helps alleviate concerns and frustrations, leading to fewer contacts and smoother interactions overall.

By prioritising these digital solutions, the public sector can streamline processes, lower costs, and enhance the overall experience for citizens.

Technology centred around the citizen will be transformational

In the past, technology posed the biggest obstacle to progress, especially in the public sector with its legacy systems.

However, advancements in connective technologies like

Application Programming Interfaces (APIs), microservices, and cloud computing have made it easier to overcome government silos. These technologies enable seamless data-sharing among ministries or departments without sacrificing privacy.

As a result, organisations that have integrated their front, middle, and back-office technologies to facilitate digital self-service for citizens have experienced considerable financial savings and improved customer satisfaction.

Trust has become a key concern

The research shows a worrying decrease in trust in government and its services. Negative news stories consistently chip away at public trust in the entire public sector.

30% of citizens believe that the public sector doesn't prioritise their best interests or those of the community, which significantly harms citizen satisfaction. Our studies uncover a shocking 27% decline in satisfaction levels when this belief persists.

Amalgamating digital transformation, cost reduction, value, new technology, and trust

The successful digital transformation of the UK public sector requires a strong foundation that not only utilises technology, but also builds and maintains trust among citizens and stakeholders.

Adopting an end-to-end citizen-centric approach can lead to significant cost reductions by eliminating duplication, errors,

overlaps, and handovers.

Implementing AI can specifically eliminate repetitive tasks, freeing up time to enhance service delivery. Additionally, AI technology itself can instil trust through its consistency and accuracy.

However, beyond technology, it's crucial for the public sector to address areas where trust may be compromised. This includes finding ways for technology to replace human interaction seamlessly without losing the personal touch. It also involves recognising the importance of citizen communication and education.

Prioritising addressing citizen concerns and clearly communicating the benefits of new technologies should be central to their seamless implementation.



Jo Thomson

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Embrace your 'digital citizen'

There was an 11% drop in citizen satisfaction from 2021 to 2023, according to our latest research on Citizen Experience Excellence.

We found that citizens are becoming more and more frustrated with their experience of trying to find information and navigate government services. They have a perception that public services are 'imposed' on them – and that they're costly, excessively bureaucratic, and inefficient.

Today, we're dealing with 'digital citizens'. People of all ages are more digitally literate and more comfortable navigating advanced technologies. They want the best of the citizen experience they get from businesses mirrored in their interactions with the public sector. They want seamless journeys tailored to their individual circumstances and needs.

That level of service is even more important to them when they interact with the public sector. After all, they may be talking about things that really matter to their financial

security, health and wellbeing – not simply checking the delivery date for their new household appliance.

The good news is that there's evidence of government and public sector organisations making progress – in particular, where they've made digital enhancements. For the first time, citizens were more satisfied with their interactions through digital channels, rather than traditional routes like email or phone.

But these digital improvements have often happened in small pockets – for specific departments, products, or services. And where that's the case, the overall citizen experience has become less consistent and more fragmented – not joined up. They've also tended to be implemented to deliver on departmental goals, rather than with the end user – the citizen – in mind.

What's the answer?

Simply fixing the basics can help improve citizen satisfaction and deliver lower service

costs. Our analysis suggests there are two actions that can make a big difference: resolving simple issues on first contact; and keeping citizens informed on the progress of their case. These are both areas where tech can help – by answering basic queries and by helping employees provide better service.

But to really shift the dial, government and the public sector organisations need a more radical rethink. They need to gain a better understanding of what citizens want and how they can deliver seamless journeys across all channels. AI has a huge role to play as a new colleague, taking on simple tasks and providing support to help your people provide better service.

Over the following pages, we take a deeper dive into our Citizen Experience Excellence findings and what they mean for your sector. We give examples of what great citizen experience looks like. And we provide practical insights on how you can embrace your digital citizen.



Citizen Experience Excellence 2023-24

Local government

Citizen satisfaction with local councils is disturbingly low, marked by a substantial 10% disparity between councils and the public sector average. This gap has increased, widening from 8% in 2022, indicating a worsening disconnection between councils and the communities they serve.

Several critical factors underpin this. Foremost is the lack of effective resolution for simple queries and issues. Financial constraints exacerbate the problem, as dwindling resources for citizen contact and service delivery translate into long wait times and challenges in obtaining timely resolutions. Compounding this, rising citizen expectations, shaped by positive encounters in the private sector, remain unmet by local councils, primarily due to the absence of robust digital channels. The result is often an inconsistent and unsatisfactory citizen experience.

Addressing these challenges requires a multifaceted approach:

Cost and value

The financial hurdles confronting local councils are hampering their capacity to deliver essential services and enact transformative initiatives. Despite the urgent imperative to cater for evolving citizen needs and offer efficient self-service channels, councils are grappling with the allocation of adequate funds. With limited budgets earmarked primarily for basic service delivery, opportunities for transformative investments decline. Without the infusion of additional revenue streams or innovative funding strategies, local councils will continue to struggle.

Technology

Central to the satisfaction issue is the limited accessibility of effective resolution channels. Digital platforms like mobile applications and chatbots give a markedly higher likelihood of problem resolution, with citizens being 11% more likely to find success through them compared to traditional methods. However,

due to insufficient awareness and the scarcity of these channels, their utilisation remains below 50% for local government interactions. Cumbersome technology procurement processes, compounded by the protracted duration and volume of diverse technology contracts, further impede the provision of these channels.

Trust

Our research highlights that effective resolution serves as the lynchpin for enhancing citizen satisfaction. When councils excel in this, satisfaction increases by an impressive 17% above the average. However, 50% of respondents lament that councils consistently fall short in addressing their issues. Many perceive their issue to be straightforward and easy to solve, thus escalating frustration. This failure not only erodes trust, but also deepens the gulf between citizens and the council that serves them.

10% Satisfaction decrease
(2021 – 2023)



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Priority actions

- ✔ To bring about effective and sustainable transformation, local councils need to embrace a holistic approach, fostering a culture that overcomes siloed decision-making. This particularly applies in areas such as technology, data management, and financial savings delivery.

Key strategies include:



Personalisation. Unify front-office technology:

Implementing a tailored Customer Relationship Management (CRM) system can establish a comprehensive, organisation-wide perspective of each citizen. Additionally, adopting a unified communications strategy will provide a single platform for citizen engagement across all services and communication channels.



Time and Effort. Amplify efficiency and insight via a data platform:

Constructing a 'golden citizen record' within a council-wide data platform facilitates collaborative decision-making across various services and departments.



Resolution. Get more from the use of AI:

Ensuring seamless integration of AI with relevant council systems can empower citizens to promptly resolve their enquiries.

Case study:

Bournemouth, Christchurch, and Poole Council

Through meticulous planning, Bournemouth, Christchurch, and Poole Council developed an innovative model that revolutionised citizen interactions.

This model ensured that all interventions were expertly handled by the most suitable staff, equipped with the necessary tools and capabilities, at the most opportune times. The citizen strategy encompassed the development of comprehensive service standards and principles, guiding all Service Delivery staff towards meeting best practice and fostering a deep understanding of exceptional service within their respective roles.

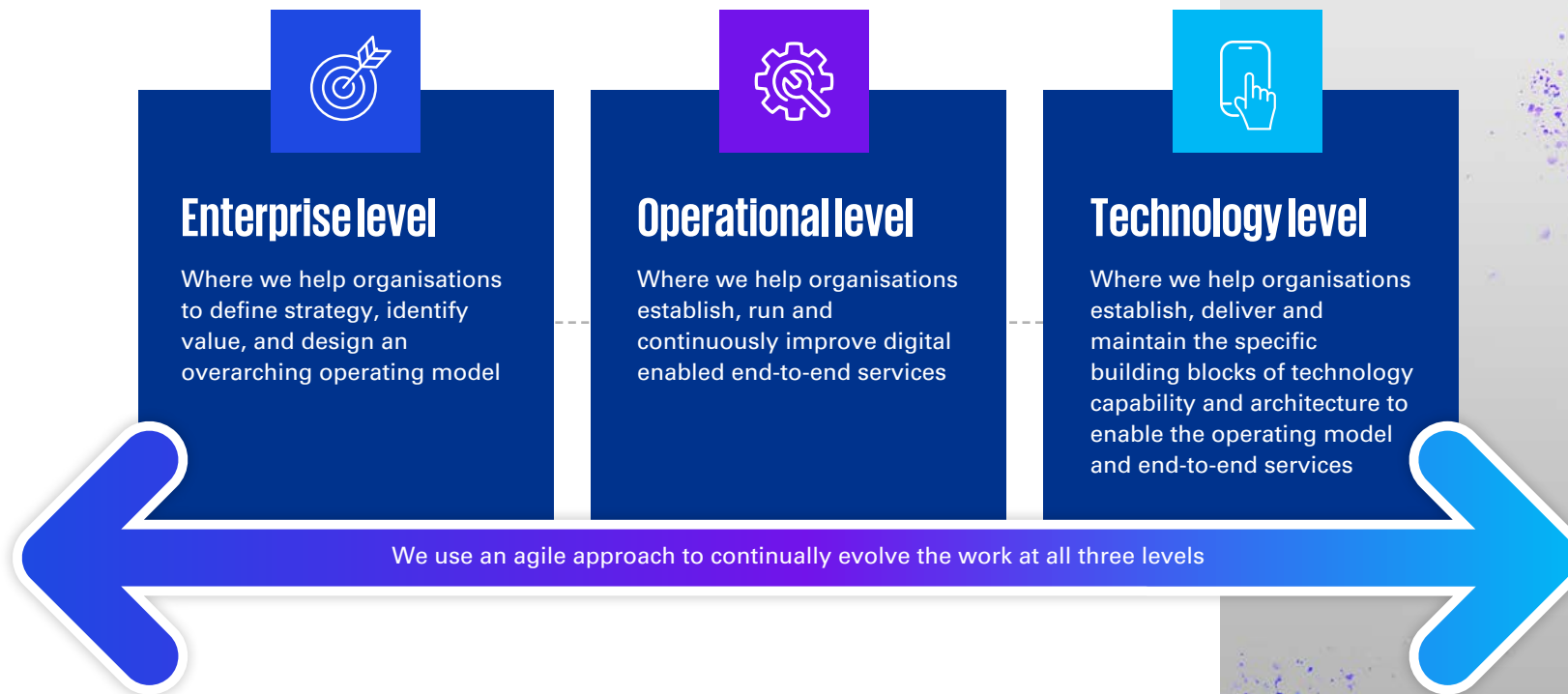
This systematic approach ensured consistent delivery of experiences and services that seamlessly aligned with citizen expectations, empowering them to self-serve and engage directly only when necessary.



Our approach to citizen-centric transformation

Connected Enterprise is KPMG's citizen-centric, agile approach to digital transformation, tailored by sector. KPMG Connected Enterprise provides an integrated suite of preconfigured, sector specific enablers to design, build and operate a citizen-centric, agile, digitally-enabled organisation.

Our approach operates at three levels:



Contact us

We bring all three levels together, while wrapping our cultural and learning expertise around it, to ensure design is simple, cohesive, and implementable.

International leading practice, supported by a rich library of assets, fronted by teams that know how to apply them in practice, are readily available locally to support applying this across the organisation. Taking organisations from vision to tangible outcomes.

If you want to better embrace your 'digital citizen' using a connected approach, please contact one of our KPMG team.



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CREATE | CRT152929A | March 2024

Document Classification: KPMG Public