



Surveys in  
Public Sector



target

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# Public Sector Attitudes Towards Digital Self-Service in 2022

Survey Report



# Acknowledgements

The research team at Surveys in Public Sector would like to take the opportunity to thank all of those who were kind enough to take part, especially those who found the time to offer additional insight through their extra comments.

We would also like to thank our partner, Target, for their assistance in compiling the survey questions, scrutinising the responses and analysing the results.

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# Introduction

The promise of digital self-service has long been apparent.

Already, the private sector is leveraging innovation to empower customers and deliver core services in the way that best suits the end user. In fact, there's now an expectation that all services be digitised and accessible wherever we are.

But can citizens expect the same of the public sector?

To date, public sector uptake has remained relatively low. In 2015, a survey of public sector professionals<sup>1</sup> found that two-thirds (66%) believed their organisation would digitise 50-100% of its services by 2018. However, a subsequent 2018 study revealed that only 11% had brought 50% or more of their services online.

However, in the intervening years, the transition to digital has accelerated – not least in response to the global pandemic, which reprioritised digital self-service across the country. And so, as thoughts turn to recovery, the provision of essential services and the evolving citizen experience, what does the self-service picture look like today?

Do public sector professionals view digital self-service as a significant priority? What do they see

as being the most substantial benefits and barriers to uptake, for organisations and end users alike? In the midst of a pronounced cost of living crisis, what additional self-service measures are public sector organisations putting in place to support citizens – and where does open banking fit in?

In order to answer these core questions, Surveys in Public Sector – together with our partners at Target – has embarked on an ambitious new research project: Public Sector Attitudes Towards Digital Self-Service in 2022.

We have reached out to professionals from a wide variety of central and local government organisations, in addition to those from the housing sector. By collating their feedback, we hope to empower individuals and organisations alike – providing decision makers with valuable insights to support and shape their ongoing digital self-service strategy.

Ultimately, at a time when budgets are collectively stretched, our goal is to enable public sector organisations to deliver lasting benefit to the citizens they so dutifully serve.

1. Whatever Happened to the Ambitious Plans for Digital Self-Service in the Public Sector? - St. Helens Borough Council

# About Target

Target has drawn upon its 40+ years of experience in financial services to deliver compliant payment software and servicing for public sector clients. They work closely with clients to ensure their customers are treated fairly, and vulnerable customers are supported throughout.

Target also partners with government agencies to facilitate payment collections, while arranging and undertaking payment plans for those struggling to pay – a measure which has been well received amongst public sector bodies.



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For more information, please [click here](#).



# Survey Methodology

Public Sector Attitudes Towards Digital Self-Service in 2022 was conducted by Surveys in Public Sector in partnership with Target. The consultation period ran from Tuesday 29th March 2022 to Monday 16th May 2022.

In total, 176 individuals from 154 unique organisations participated in the survey, representing a broad cross-section of job functions across the UK public sector, including but not limited to:

Business Services Director	Executive Director of Finance	Head of Finance and Revenues
Chief Digital and Information Officer	Executive Member for Customer & Performance	Head of Finance, Business Partnering
Chief Executive Officer	Executive Member for Transformation and Finance	Head of Housing Management
Chief Financial Officer	Executive of Director Communities & Assets	Head of ICT and Digital
Chief Operating Officer	Finance Director	Head of Marketing & Communications
Deputy Chief Executive for People Services	Group Head of IT	Head of Marketing Strategy and Delivery
Deputy Director Customer Experience	Head of Business Transformation	Head of Operations Planning
Director Digital & ICT	Head of Commercial	Head of Pension Funds
Director of Change, Transformation & Growth	Head of Contact Centre	Head of Procurement & Commercial Services
Director of Customer Engagement	Head of Customer Operations	Head of SAP Business Solutions
Director of Customers and Communities	Head of Customer Services & IT	Head of Strategy & Compliance - Exchequer, Finance & Governance
Director of Finance	Head of Customer Strategy and Insights	Leader of the Council
Director of Neighbourhoods & Customer Services	Head of Customer Transformation	Mayor
Director of Operations & Development	Head of Design Operations	Operations Director - Housing, Community and Support Services
Director of Property Services	Head of Development Finance	Programme Director (Transformation)
Director of Revenues and Benefits	Head of Digital	Service Director Customer, Information and Digital
Executive Director of Customers	Head of Digital Architecture	Strategic Director Finance and Customer Services

All survey participants have received a complimentary copy of the key findings report. There was no inducement to take part in our research project, and Target was not introduced as the survey partner.

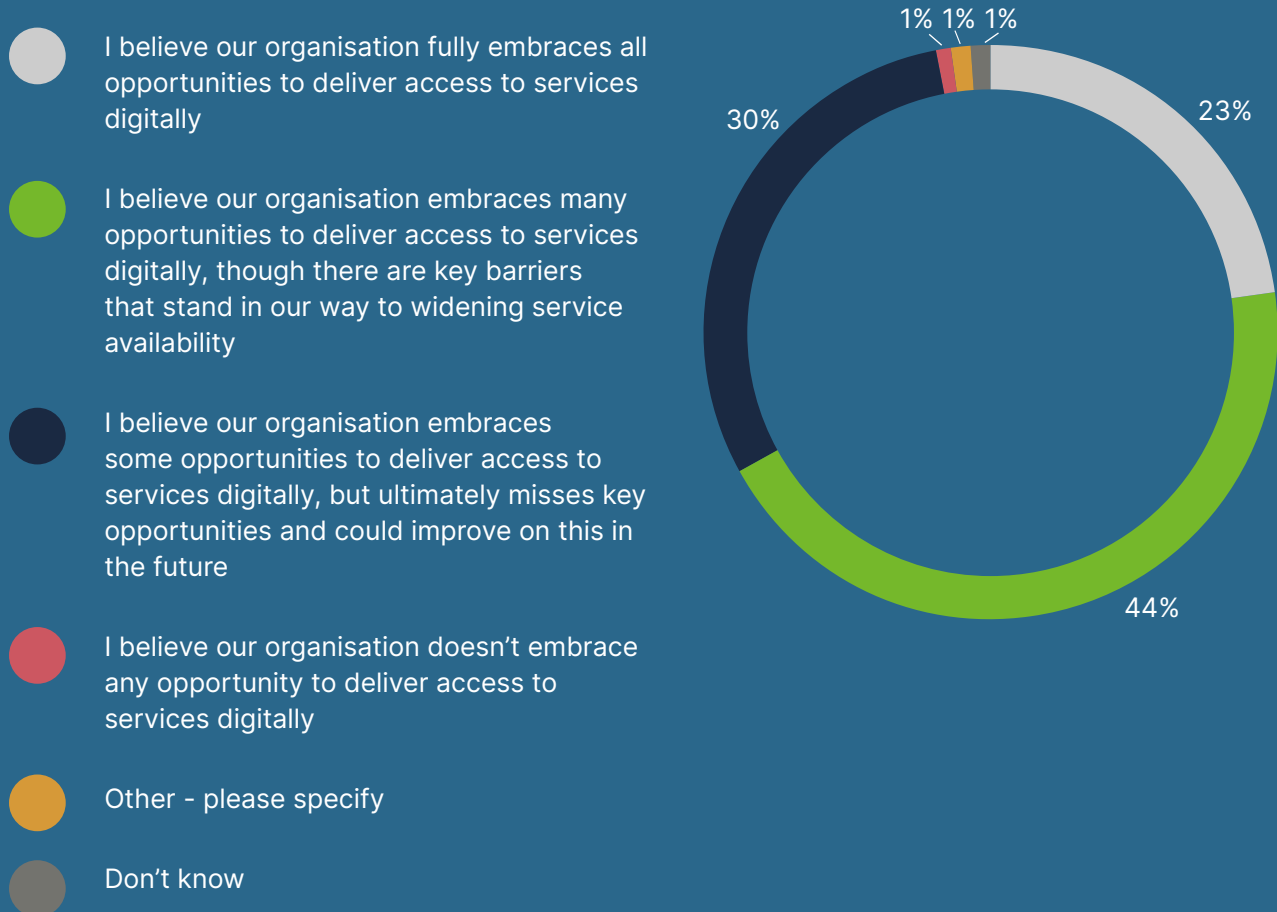
# Key Findings

## Attitudes to digital self-service are improving, but opportunities are being missed

There's a strong appetite to embrace digital technologies and self-service for customers, with 97% of public sector respondents agreeing that delivering services digitally was a key ambition. However, whilst the majority are eager to embrace digital self-serve, almost half say key barriers are preventing their progress.

In total, 44% said key barriers were preventing their organisation from 'widening service delivery', while 30% conceded that their organisation was 'missing key opportunities' and that improvements could be made. Just 23% said their organisation had embraced 'all opportunities to deliver access to services digitally'.

**FIGURE 1: To what extent do you feel your organisation has embraced the need to deliver access to services digitally?**



Similarly, despite the Government's digital agenda, some 64% don't have an up-to-date strategy in place. Of that 64%, 25% confirmed their organisation was

looking to implement a strategy, while 23% said their existing strategy was in need of a refresh.

**FIGURE 2: Does your organisation currently have a digital self-service strategy?**

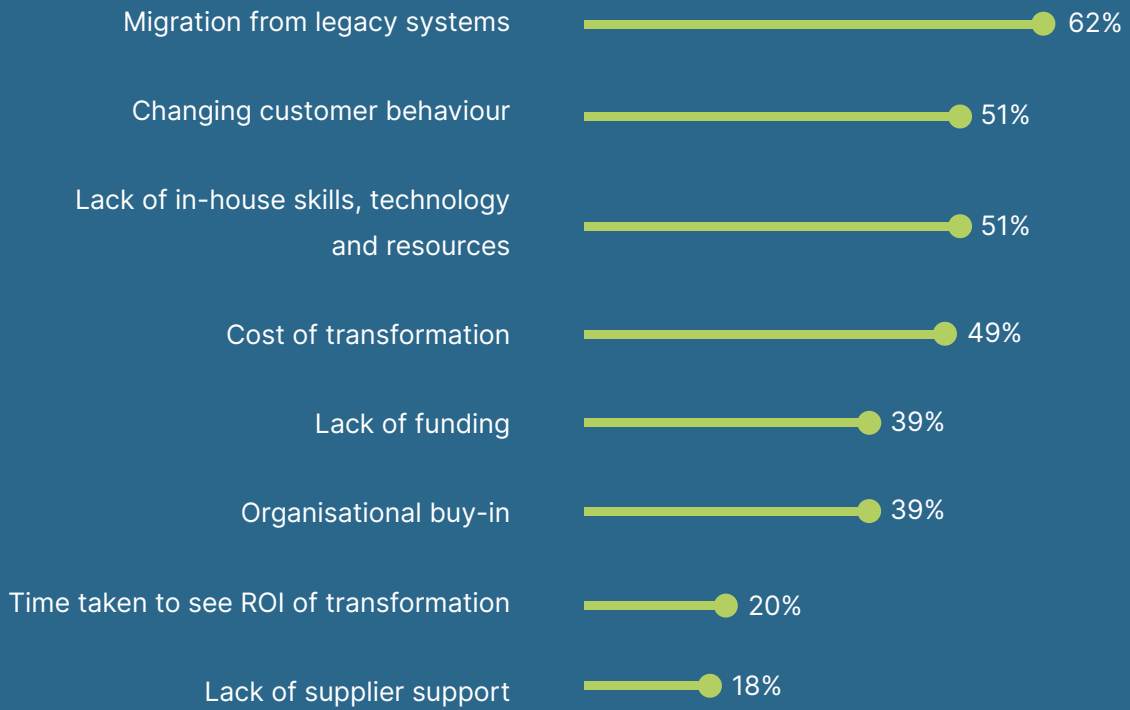


With these findings in mind, what is preventing organisations from implementing digital self-service? According to our respondents, the 'migration from legacy systems' (62%) is the biggest barrier to implementation, while a 'lack of in-house skills,

technology and resources' (51%) and 'customer behaviour' (51%) - specifically, the need to cater to those with fewer digital skills - are also delaying the transition to digital.



**FIGURE 3: Which of the following do you believe are the biggest barriers to digital self-service implementation at your organisation?**



All of this suggests that, while attitudes to digital self-service are improving within the public sector, more must be done to identify and access the right skills so that legacy systems can be retired. Digital shouldn't come at the cost of accessibility, however. A hybrid

approach based on user analytics is key, and non-digital alternatives should always be available to those less familiar with or otherwise unable to access new technology.

## The benefits of digital self-service are widely recognised

While digital self-service presents a serious challenge for some, the vast majority of survey respondents recognise that implementation also brings a host of potential benefits for public sector organisations and the communities they serve.

From an organisational standpoint, respondents identified 'improved services for citizens and customers' (85%) as the biggest benefit of digital self-service, with time and resource savings (84%), 'improved internal efficiencies' (78%) and 'reduced operating costs' (66%) close behind. This demonstrates a recognition that investment in digital could support longer-term cost savings and increase

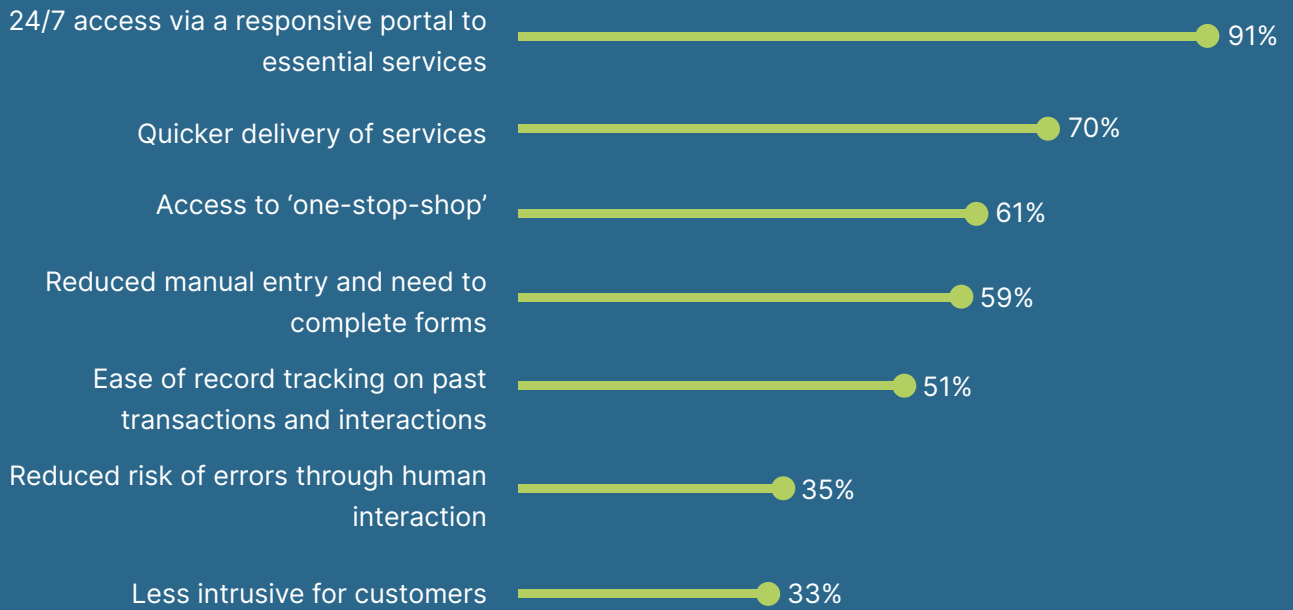
efficiencies, ultimately freeing up valuable resources and skills to be deployed elsewhere.

Additionally, from a citizen standpoint, respondents highlighted '24/7 access via a responsive portal to essential services' (91%) as the biggest benefit of digital self-service, with 'quicker delivery of services' (70%) and 'access to a one-stop-shop' (61%) additional benefits of note. Unsurprisingly, citizens expect services to be fully digitised and accessible at all times, and public sector professionals recognise that digital self-service is now an essential part of the customer experience.

**FIGURE 4: What do you believe are the greatest benefits of digital self-service to your organisation/staff?**



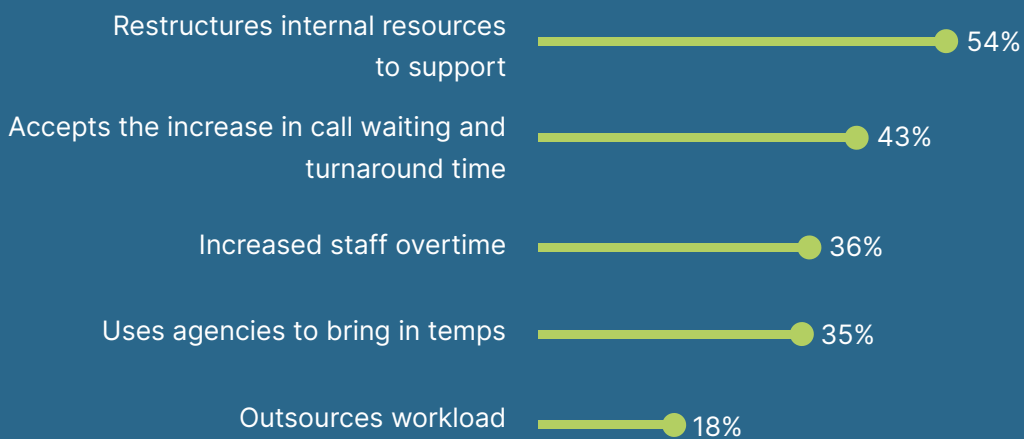
**FIGURE 5: What do you believe are the greatest benefits of digital self-service to your citizens/customers?**



But with resourcing a recurring issue, how do public sector organisations plan for peaks and troughs in service demand? According to survey respondents, the most commonplace solutions are to 'restructure internal resources' (54%), 'increase staff overtime' (36%) and 'use agencies to bring in temps' (35%). Alarming, 43% said they had little choice but to accept an 'increase in call waiting and turnaround

times' – an unfortunate compromise which may impact both customer experience and reputation as dissatisfied customers are more likely to take their complaints into the public domain via social media. It's worth noting, however, that digital self-service can alleviate this resourcing burden, and any public sector organisation feeling the pressure would be wise to prioritise implementation.

**FIGURE 6: How does your organisation plan for peaks and troughs in service demand?**



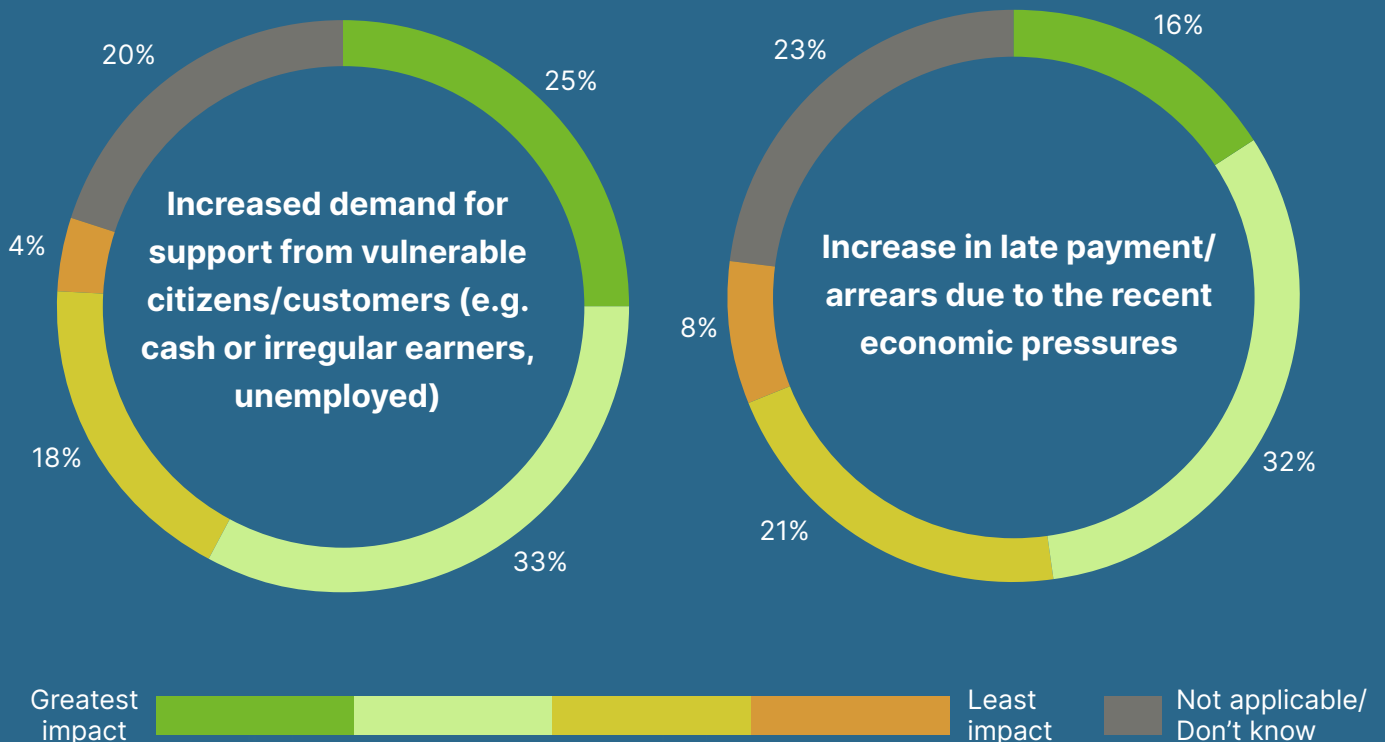
## Despite citizens needing more support, open banking is still underutilised

The COVID-19 pandemic has taken a considerable toll on the UK public sector.

When asked how the social and economic uncertainties of the pandemic had impacted their organisation, 58% said there had been ‘increased demand for support from vulnerable citizens’, while almost half (48%) had encountered ‘an increase in late payment/arrears due to the recent economic

pressures’. In the midst of an unprecedented cost of living crisis, a higher percentage of citizens may need more help, and public sector organisations should consider alternative methods of support. Could open banking – which provides third-party access to accurate and real-time financial data via application programming interfaces (APIs) – be a potential solution?

**FIGURE 7: Which of the following effects of the pandemic has had the greatest impact on your organisation?**



In response, we asked survey respondents how their organisation currently supports vulnerable customers with their arrears or payments. In total, 62% said they provided 'tailored payment plans', while 59%

offered referrals to debt charities. Only 8% said their organisation used open banking to assess their customers' ability to 'afford payment plans or clearing arrears'.

**FIGURE 8: How does your organisation currently support vulnerable customers with their arrears or payments?**



Similarly, when asked about their organisation's future strategies for collections planning, digital and financial inclusion ranked highest with 57% and 46% of the vote respectively. Just 9% suggested open banking as a possibility. All of which suggests that

public sector organisations are failing to recognise the benefits of open banking for customers – namely, that it's transparent, quicker and much more accessible, and enables organisations to assess the most suitable payment plans for citizens.

**FIGURE 9: Which of the following are on your organisation's radar for future collections planning?**





## Conclusion

We are delighted to be involved in this survey. It provides some encouraging and insightful findings and is quite clear about the challenges that lie ahead.

It's clear from the report that senior leaders have a strong appetite to embrace the technologies that will enable self-service access to services.

There's broad agreement on the benefits for both citizens and the organisation.

For citizens, the chief benefits are access to services 24/7 and speed of access (particularly during periods of peak demand), something that they expect and already have in other areas of their daily life, such as banking, telecoms and retail.

For organisations, the benefits include the win-win of cost savings and improved efficiency. The cost savings are important, especially at this time of economic pressure. The resource efficiencies will help free up valuable capacity – enabling resource to be deployed to cope with demand during peak periods as well as value add activity such as helping the more vulnerable in our society.

There is more to do, however. Despite the government's digital first agenda, many organisations either do not have a digital strategy or it is out of date. Without the roadmap, enablement can be fragmented.

There are also some clear trends in the roadblocks and barriers to achieving success – particularly around in-



**Mark Gilliver, Chief Growth Officer, Target Group**

house resource and skill sets as well as the challenges of migrating legacy systems.

The good news is that where organisations look externally, expertise and experience is available to navigate through these challenges, so the horizon is positive.

I am also clear that there are benefits not yet seen – technology and innovation such as open banking is being widely deployed in other sectors, and so an open mind is required for further change.

# Appendix 1: Participating Organisations

- Aberdeen City Council
- Accent Group
- Acis Group
- Allerdale Borough Council
- Argyll and Bute Council
- Arts Council England
- Arun District Council
- Aspire Housing
- Barnsley Metropolitan Borough Council
- Basildon Borough Council
- believe housing
- BHT Sussex
- Birmingham City Council
- Bournemouth Churches Housing Association
- Bournemouth, Christchurch and Poole Council
- Bracknell Forest Council
- Breckland Council
- Brighton and Hove City Council
- Broadland Housing Group
- Buckinghamshire Council
- Bury Council
- Calderdale Council
- Cardiff Council
- Carlisle City Council
- Castlehill Housing Association
- Ceredigion County Council
- Cheshire West and Chester Council
- Chichester District Council
- Council for the Curriculum, Examinations and Assessment
- Craven District Council
- Crown Prosecution Service
- Darlington Borough Council
- Department for Business, Energy & Industrial Strategy
- Department for Education
- Department of Finance
- Derby Homes
- Derbyshire County Council
- Dorset Council
- Dundee City Council
- Durham Aged Mineworkers' Homes Association
- Durham County Council
- Ealing Council
- East Devon District Council
- East Riding of Yorkshire Council
- Eastlight Community Homes
- Elmbridge Borough Council
- Epping Forest District Council
- Essex County Council
- Financial Reporting Council
- Flintshire County Council
- Folkestone & Hythe District Council
- Gedling Borough Council
- Glasgow City Council
- Gloucestershire County Council
- HM Revenue & Customs
- Home Group
- Homes England
- Housing Solutions Group
- Hull City Council
- Intellectual Property Office
- Johnnie Johnson Housing Trust
- Kirklees Council
- Lancashire Enterprise Partnership
- Land and Property Services
- Lincolnshire Housing Partnership Ltd
- London Borough of Barking and Dagenham
- Longhurst Group
- Magna Housing Ltd
- Ministry of Defence
- Newcastle City Council
- Newcastle Under Lyme Borough Council
- Newham Council
- Northern Ireland Screen
- Nottinghamshire County Council
- Nuneaton and Bedworth Borough Council
- Oadby and Wigston Borough Council
- Office of the Public Guardian
- Oldham Council
- Oxford City Council
- Phoenix Community Housing
- Pickering and Ferens Homes
- Plymouth City Council
- Powys County Council
- Progress Housing Group
- Reading Borough Council
- Rosebery Housing Association
- Rotherham Metropolitan Borough Council
- Rugby Borough Council
- Rutland County Council
- Sandwell Metropolitan Borough Council
- Saxon Weald
- Sedgemoor District Council
- Sheffield City Council
- Soha Housing
- South Lakeland District Council
- Southampton City Council
- Southend on Sea Borough Council
- Southwark Council
- Sovereign Housing Association
- St Helens Council
- St. Leger Homes
- Surrey County Council
- Surrey Heath Borough Council
- Taff Housing Association
- Tendring District Council
- Test Valley Borough Council
- The Coal Authority
- The Consumer Council for Water
- The Queen Elizabeth II Conference Centre
- The Scottish Government
- Torus Group
- Tower Hamlets Council
- Transport for Greater Manchester
- Trident Group
- UK Shared Business Services
- Valuation Office Agency
- Valuation Tribunal Service
- Walsall Council
- Waltham Forest Council
- Warwick District Council
- Warwickshire County Council
- Watford Community Housing Trust
- West Highland Housing Association
- West Lindsey District Council
- West Lothian Council
- Wigan Council
- Worcestershire County Council

# Appendix 2: Survey Questions

**Question 1: To what extent do you feel your organisation has embraced the need to deliver access to services digitally?**

Answer	Percent
I believe our organisation fully embraces all opportunities to deliver access to services digitally	23%
I believe our organisation embraces many opportunities to deliver access to services digitally, though there are key barriers that stand in our way to widening service availability	44%
I believe our organisation embraces some opportunities to deliver access to services digitally, but ultimately misses key opportunities and could improve on this in the future	30%
I believe our organisation doesn't embrace any opportunity to deliver access to services digitally	1%
Other - please specify	1%
Don't know	1%

**Question 2: Does your organisation currently have a digital self-service strategy?**

Answer	Percent
Yes, we have an up-to-date strategy in place	36%
Yes, but our strategy needs reviewing	23%
No, but we are looking to put a strategy in place	25%
No, and we are not looking to put a strategy in place	5%
Other - please specify	4%
Don't know	7%



**Question 3: What do you believe are the greatest benefits of digital self-service to your organisation/staff?**

<b>Answer</b>	<b>Percent</b>
Improved customer insight	59%
Improved services for citizens and customers	85%
Frees up valuable time/resource	84%
Helps meet obligations to support vulnerable customers	40%
Improved internal efficiencies	78%
Quicker collection of revenue	30%
Reduced risk of errors through human interaction	43%
Reduced operating costs	66%
Other - please specify	3%
Don't know	1%

**Question 4: What do you believe are the greatest benefits of digital self-service to your citizens/customers?**

<b>Answer</b>	<b>Percent</b>
Access to 'one-stop-shop'	61%
24/7 access via a responsive portal to essential services	91%
Quicker delivery of services	70%
Reduced manual entry and need to complete forms	59%
Reduced risk of errors through human interaction	35%
Ease of record tracking on past transactions and interactions	51%
Less intrusive for customers	33%
Other - please specify	2%
Don't know	1%

**Question 5: Which of the following do you believe are the biggest barriers to digital self-service implementation at your organisation?**

<b>Answer</b>	<b>Percent</b>
Changing customer behaviour	51%
Cost of transformation	49%
Organisational buy-in	39%
Lack of funding	39%
Lack of in-house skills, technology and resources	51%
Lack of supplier support	18%
Migration from legacy systems	62%
Time taken to see ROI of transformation	20%
Other - please specify	9%
None of the above/Don't know	4%

**Question 6: Of the following, which services does your organisation currently provide to your citizens/ customers?**

Answer	Percent
Payment collections	60%
Lending	8%
Customer enquiries	75%
Grants	15%
Licensing services	8%
Collecting fines	8%
Reporting issues and faults	57%
Planning applications	9%
Local land charge	2%
Other - please specify	13%
None of the above/Don't know	11%

**Question 6a: Do you think your organisation is likely to expand its services to any of the following in the next 3 years? [Individual base per each answer.]**

Answer	Percent
Payment collections	0%
Lending	0%
Customer enquiries	31%
Grants	2%
Licensing services	2%
Collecting fines	0%
Reporting issues and faults	0%
Planning applications	0%
Local land charge	0%

**Question 7: Which of the following services can your citizens access online currently? [Individual base per each answer.]**

<b>Answer</b>	<b>Percent</b>
Payment collections	79%
Lending	12%
Customer enquiries	78%
Grants	38%
Licensing services	55%
Collecting fines	51%
Reporting issues and faults	76%
Planning applications	77%
Local land charge	30%

**Question 7a: Which of the following are you looking to move online in the next 3 years? [Individual base per each answer.]**

<b>Answer</b>	<b>Percent</b>
Payment collections	24%
Lending	6%
Customer enquiries	21%
Grants	16%
Licensing services	38%
Collecting fines	25%
Reporting issues and faults	11%
Planning applications	14%
Local land charge	20%

**Question 8: How does your organisation plan for peaks and troughs in service demand?**

<b>Answer</b>	<b>Percent</b>
Increased staff overtime	36%
Restructures internal resources to support	54%
Outsources workload	18%
Uses agencies to bring in temps	35%
Accepts the increase in call waiting and turnaround time	43%
Other - please specify	5%
Don't know	12%

**Question 9: What alternatives other than online channels does your organisation provide to your citizens/ customers (especially those without digital access) for accessing public services?**

<b>Answer</b>	<b>Percent</b>
In-person/face-to-face support	83%
Hotline support	58%
Post Office and PayPoint	46%
Other - please specify	6%
This is not applicable to our organisation/Don't know	10%

**Question 10: Which of the following service areas do you believe will be budget priorities for your organisation in the next 12 months?**

Answer	Percent
Booking services	25%
Customer enquiry services	49%
Lending services (e.g. grants, loans)	7%
Licensing services	14%
Payment collection services	27%
Ability to report services issues and failures	26%
Planning applications (e.g. mobile apps) for citizen/customer to manage account	13%
Customer portal enabling customers to complete and track requests	46%
Online chat with a customer service agent	33%
Chatbots to support FAQs	35%
Other - please specify	5%
Don't know	21%

**Question 11: Which of the following payment methods does your organisation currently offer to your citizens/customers?**

Answer	Percent
Cash/cheque	48%
Bank transfer	68%
Direct debit	82%
Online payment portal for card payment (e.g. debit card, credit card)	79%
PayPal	11%
Apple Pay/Google Wallet	6%
Automated telephone payment line	46%
Post Office and PayPoint	59%
Payment plans	41%
Other - please specify	4%
This is not applicable to our organisation/Don't know	10%

**Question 11a: Does your organisation plan to offer any of the following payment methods to your citizens/customers in the next 3 years? [Individual base per each answer.]**

Answer	Percent
Cash/cheque	2%
Bank transfer	8%
Direct debit	0%
Online payment portal for card payment (e.g. debit card, credit card)	17%
PayPal	6%
Apple Pay/Google Wallet	8%
Automated telephone payment line	3%
Post Office and PayPoint	0%
Payment plans	6%

**Question 12: Which of the following effects of the pandemic has had the greatest impact on your organisation?**

Question/ Answers	Greatest impact ← → Least impact						Don't know
	1-2	1	2	3	4	3-4	
Our organisation has encountered loss of revenue from citizen services due to the pandemic	41%	21%	20%	13%	19%	32%	27%
There is an increase in late payment/arrears due to the recent economic pressures	48%	16%	32%	21%	8%	29%	23%
There is an increased demand for support from vulnerable citizens/customers (e.g. cash or irregular earners, unemployed)	58%	25%	33%	18%	4%	22%	20%
Citizens/customers requested more flexible payment methods (e.g. payment plans)	26%	4%	22%	19%	24%	43%	31%

**Question 13: How does your organisation currently support vulnerable customers with their arrears or payments?**

<b>Answer</b>	<b>Percent</b>
We provide tailored repayment plans to them	62%
We use open banking to assess our citizens/customers' ability to afford payment plans or clearing arrears	8%
Payment holidays	23%
Referral to debt support/charities	59%
Other - please specify	3%
This is not applicable to our organisation/Don't know	31%

**Question 14: Which of the following are on your organisation's radar for future collections planning?**

<b>Answer</b>	<b>Percent</b>
Digital inclusion	57%
Financial inclusion	46%
Open Banking	9%
Peer to peer lending	0%
Blockchain to support payments in cryptocurrency	0%
Bespoke app development	9%
Other - please specify	0%
None of the above/Don't know	39%



**Question 16: How do your citizens/customers apply for a loan or grant?**

<b>Answer</b>	<b>Percent</b>
Submit hard copy application in person or by post	47%
Submit via online portal	83%
Other - please specify	2%
This is not applicable to our organisation/Don't know	10%

**Question 17: How does your organisation currently manage the administration of lending and grants?**

<b>Answer</b>	<b>Percent</b>
Through internal resources	70%
Through external expertise	3%
A combination of both internal and external resources	19%
Other - please specify	0%
This is not applicable to our organisation/Don't know	8%

**Question 18: What are your biggest pain points around providing lending and grants to your citizens/customers?**

<b>Answer</b>	<b>Percent</b>
During the application process	39%
Affordability and background checks	32%
On-going administration	49%
Managing arrears	22%
Other - please specify	3%
This is not applicable to our organisation/Don't know	34%