GRANICUS

NEXT-GENERATION PUBLIC SERVICES:

Bringing Everyone on the Digital Transformation Journey

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Introduction

As digital technologies continue to advance and public engagement with online services increases, the scope of digital transformation within the public sector must evolve accordingly.

Ahead of the launch of the Government Digital & AI Roadmap later this summer, in January 2025 *'A Blueprint for Modern Digital Government'* was presented to Parliament. This stated that despite the work of digital teams across the public sector to deliver better designed, time-saving public services, progress over the last 15 years has been "uneven, and it hasn't been fast or systemic enough".

Alongside this, *'The State of Digital Government Review'* identified deep systemic challenges: institutionalised fragmentation; persistent legacy; cyber and resilience risk; siloed data; under-digitisation; inconsistent leadership; a skills shortfall; diffuse buying power; and outdated funding models.

Meeting citizens' growing digital expectations requires not only modernising underlying infrastructure and systems but also placing equal emphasis on improving the citizen experience. By adopting user-centric design and prioritising service accessibility, government organisations will be able deliver more efficient, responsive, and intuitive services—strengthening public trust and satisfaction in the long term.

Chapter One:

Investing in modern technology and digital transformation strategy

In the *'Transforming for a digital future: 2022 to 2025 roadmap for digital and data'* strategy, the UK government stated that by this year (2025), it would have created "user-centric policies and public services that are more efficient, fit for the digital age, centred on user needs, and deliver the right outcomes."

In this chapter, we explore the appetite from public sector workers when it comes to investing in modern technology and digital transformation strategy.

We began by asking our respondents within the public sector whether a previous lack of clear and strategic vision for digital transformation, meant efforts to improve services had become fragmented and ineffective – almost half (46%) agreed. Alongside this, a considerable 42% from roles related to digital transformation were also in agreement that this was a past hinderance.

Looking to the future, many of these challenges persist. In fact, 43% of respondents admit they still lack a clear vision for digital transformation, which they believe will prevent the organisation

from providing the digital services that people expect by 2027. Given more than one in three (37%) of our respondents that work within digital transformation roles also went as far as to agree with this statement too, it's perhaps fair to say, the Government's Digital & AI Roadmap can't come soon enough.

The need for a clear and strategic vision

The absence of a clear and strategic vision is also evident in the sharp disparity of perceptions within public sector organisations—between those who identify a reluctance to adopt new technologies, hindering transformation efforts (38%), and those who perceive no such resistance (37%).

Our organisation is reluctant to adopt new technologies, hindering transformation efforts:

Legend:
- Agree
- Disagree
- Are unsure/ Neither agree nor disagree

- 38%
- 37%
- 25%
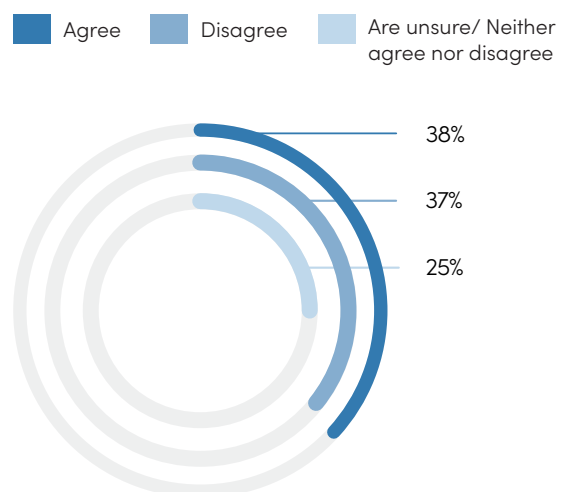
What's more encouraging, is where a digital transformation strategy exists, most public sector respondents (60%) agree it is aligned with their organisation's overall business goals. This alignment is particularly strong in central government, where 63% of respondents recognised this connection, compared with 59% in both local government and the NHS. These results suggest that, at a strategic level, organisations are beginning to move in the right direction.

The majority of our public sector respondents (58%) overall also agreed they had been successful in integrating new technologies with existing systems. This is perhaps reflective of the investment the public sector has seen in point solutions that can integrate with back-office systems and other services. However, a common challenge facing senior leaders is balancing a strategic view to connect the technology but also unlock use of data to drive outcomes for citizens.

A closer look at the data—particularly in areas where citizen engagement is most critical—reveals far more nuance. Fewer than half of NHS staff (49%) and frontline workers (48%) agreed that integration efforts had been successful. This disparity highlights that while progress is being made, it is not evenly distributed, and those within service roles may still be grappling with some legacy systems or inconsistent support.

Interoperability and utilising existing technology

At the heart of this issue is the ongoing challenge with system interoperability. For citizens to experience the full benefits of digital transformation, public sector systems must be able to communicate seamlessly sharing data, streamlining workflows, and reducing duplication. Without this, even the most advanced tools can fail to deliver meaningful improvements in service delivery.

Our research reveals the technology is there, but it isn't being used to maximum effect to alleviate burdens for public sector organisations. Over half of respondents (58%) said they have the correct digital tools in place, but they could be utilised more effectively for stronger outcomes. There needs to be a drive across the wider public sector to optimise services and technology already available to enhance and improve the service at a lower cost.

Closing the gap between capability and impact must be a priority if public sector organisations are to meet the rising expectations of citizens over time.
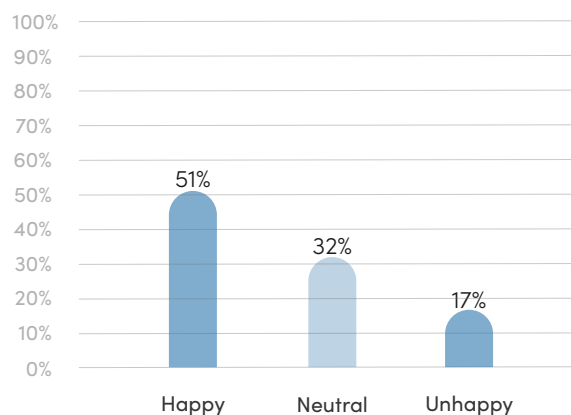
Your organisation has the correct digital tools in place however they could be utilised more effectively for stronger outcomes:

■ Agree ■ Disagree ■ Are unsure/ Neither agree nor disagree

58%

13%

29%
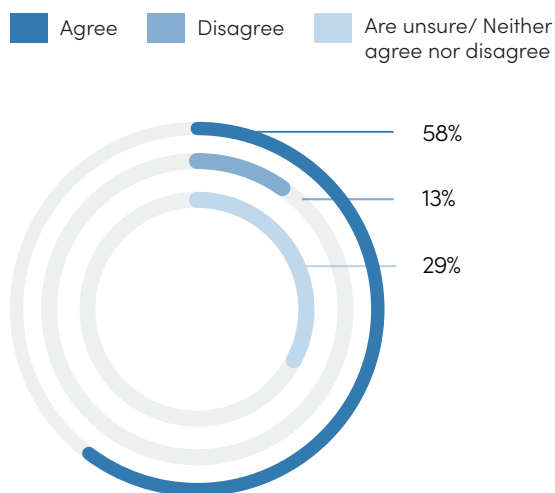
When asked to rate their organisation's digital services overall, fewer than half of respondents (46%) reported being 'happy' (compared to 16% who expressed dissatisfaction and 38% who were neutral).
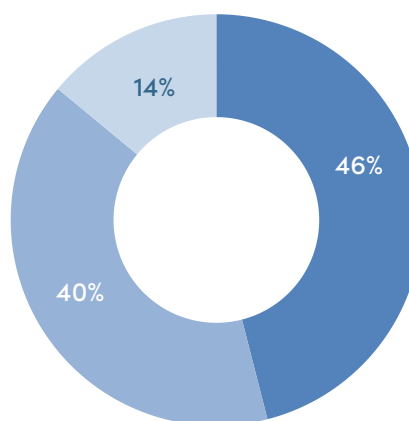
Digging deeper into individual sectors, satisfaction levels are slightly higher within central government, reaching just over half (51%) and the picture in local government is split with less than half happy (46%) and almost the same number sitting on the fence (40%). However, in a particularly vital area of public service—the NHS—positive sentiment drops significantly to 31%, with one in three respondents (33%) expressing dissatisfaction.
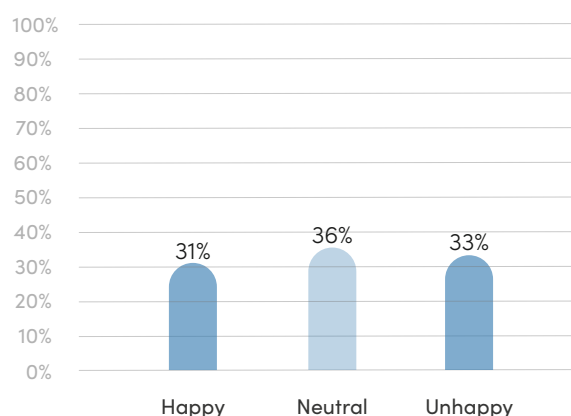
Central Government

100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%

51%

32%

17%

Happy   Neutral   Unhappy

Local Government

■ Happy ■ Neutral ■ Unhappy

14%

46%

40%

NHS

100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%

31%

36%

33%

Happy   Neutral   Unhappy

Chapter Two: Siloed working and cross-collaboration with departments

Communication and collaboration are central to effective public sector service delivery. Sharing key learnings and aligning on success strategies is essential to improving outcomes for both departments and citizens.
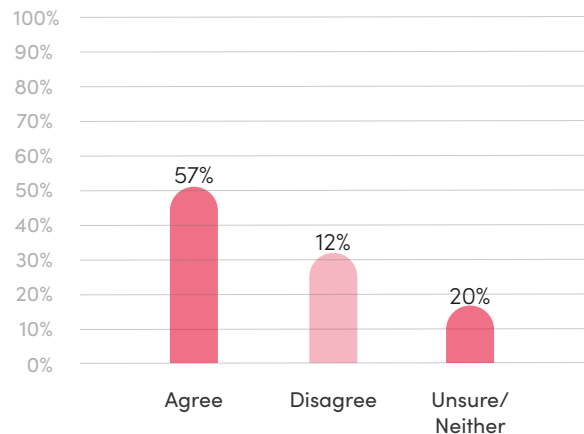
The UK government's plan *'A Blueprint for Modern Digital Government'* (2025), recognises the power of AI for citizen use and improving access to and the sharing of data. Siloed data is cited as a common hinderance to collaboration. And in the *Cross-government working* report, challenges around limited data sharing and a lack of cross-departmental buy-in, are said to be having a negative impact.

Communication and collaboration impacting transformation efforts

As less than half (46%) of public sector workers said that they were happy with their organisation's current digital services, most (56%) agreed that poor communication and collaboration across departments were partly to blame.
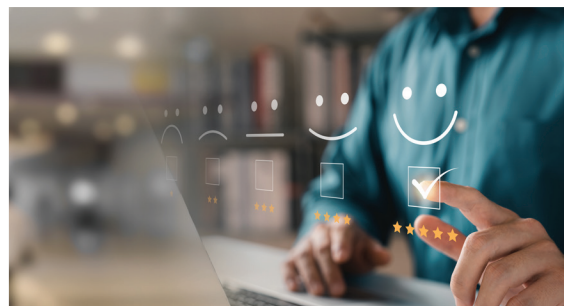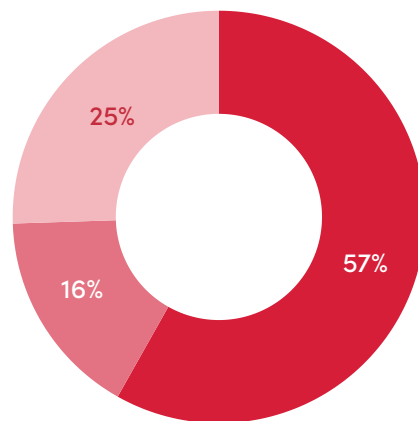
This sentiment was more pertinent among NHS respondents though (72%) and by more than half of frontline/end users (52%), indicating a lack of communication has been a significant barrier to digital transformation in the past.
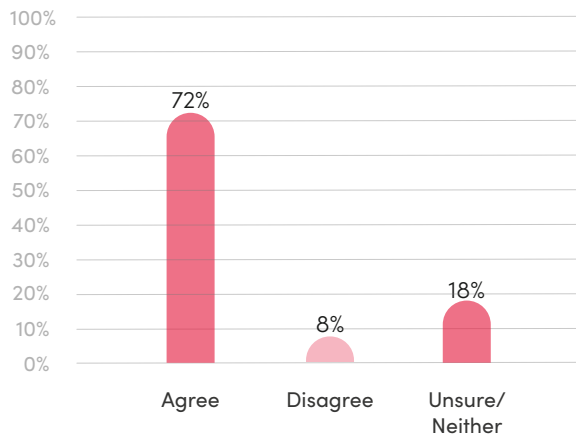
Central Government

Local Government

NHS

Disparity across key sectors

Within the NHS, the findings were more concerning, with nearly half of NHS workers (46%) disagreeing that their organisation fosters effective collaboration. This suggests that this area of the public sector might not be taking opportunities to share insights and best practice across teams, which is an essential foundation for delivering the kind of cohesive, long-term digital services the NHS undoubtedly needs.

Moreover, half of public sector workers (50%) believe the same problem will continue to persist and impact their organisation moving forward. Across the NHS, agreement is slightly lower (46%) and a third (33%) neither agree nor disagree. This suggests that while communication may be improving, wider progress is uneven and lacking consistency across the sector.

When asked whether their organisation was good at fostering collaboration across departments, just over half of public sector respondents (56%) agreed. However, one in five admitted that their organisation was not effective in this area, and a further quarter (24%) were unsure.
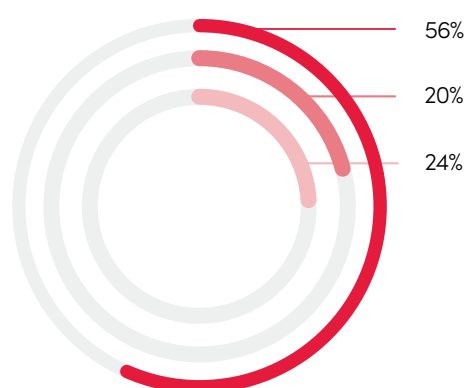
To what extent do you agree or disagree with the following statements about your organisation's capability to be successful at creating the digital services needed by 2027?

Agree   Disagree   Are unsure/ Neither agree nor disagree

56%
20%
24%

Disparities also emerge across different levels of government; while most central government workers (63%) believe their departments are effective at fostering collaboration, confidence is lower within local government (55%).

If you add to this, a further quarter of local government workers (24%) said they were unsure, there's clearly a significant level of uncertainty around how well collaboration is working in practice and what good looks like. This suggests that despite efforts being made, local government teams may face greater challenges in sharing best practice and aligning effectively with other departments, to which they are intrinsically linked.

This disparity indicates that although certain areas of the public sector feel confident in their data capabilities, the reality may be more fragmented. Many are likely only scratching the surface—often working in siloes and missing opportunities to share data-driven insights across departments for broader impact. This would reflect the demand on local authorities to deliver a broad range of services across different structures and dealing with requests on behalf of central government, which in comparison, generally has a much clearer remit and area of responsibility.

Using data to share best practice

When it comes to using data to drive decision making, just over half (56%) of public sector workers believe their organisation is effective, but again confidence varies significantly across different areas of the sector.
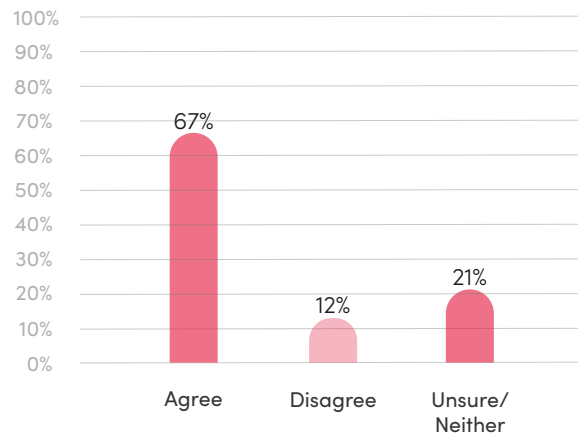
While 67% of central government employees believe their organisation is effective here, the picture is less optimistic elsewhere—22% of local government workers and 23% of NHS staff disagree vs just 12% of those central government, suggesting their organisations fall short.

We are very good at using data to drive decision-making:

Central Government

Bar chart:
- Agree: 67%
- Disagree: 12%
- Unsure/Neither: 21%

Local Government

Legend: Agree | Disagree | Unsure/Neither

Donut chart:
- Agree: 52%
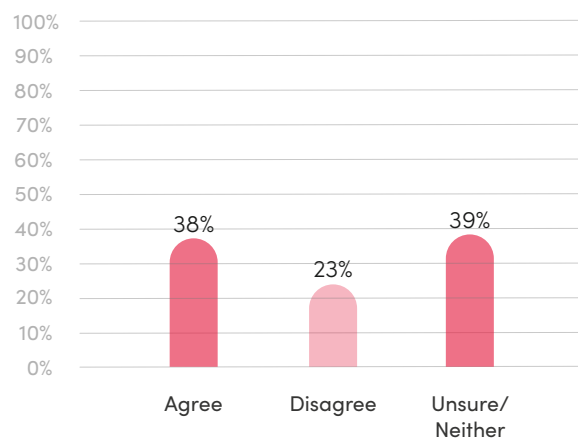- Disagree: 22%
- Unsure/Neither: 26%

NHS

Bar chart:
- Agree: 38%
- Disagree: 23%
- Unsure/Neither: 39%
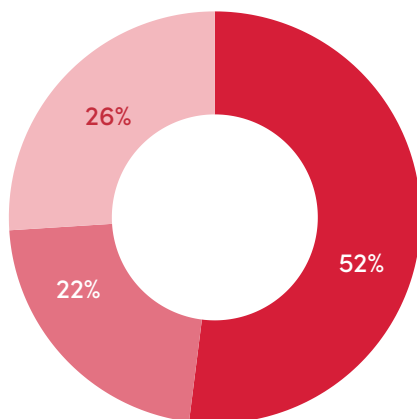
Chapter Three:
The role of artificial intelligence and using data

The government's 2025 *'AI Opportunities Action Plan'* sets out how the public sector can harness the power of AI to deliver better services for citizens and strengthen data infrastructure. It includes commitments to safeguard the public by developing safe and trusted AI adoption through regulation, safety and assurance.
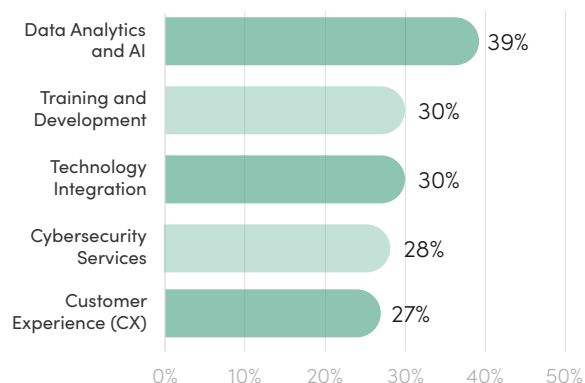
In this chapter, we observe the perspective of public sector workers around AI adoption and use of data.

AI and data analytics leading the way

When questioned on digital transformation, 39% of respondents said that data analytics and AI will be the most important services for their organisation over the next three years. The majority (69%) of respondents from the digital transformation department also favoured data analytics and AI as a priority for the future.

This reinforces the sector's appetite to use AI to help unlock insights from the wealth of data that organisations have access to using different point solutions.

Relating to digital transformation, which of the following services will be most important to your organisation over the next three years? (Top 5):

Service	Percentage
Data Analytics and AI	39%
Training and Development	30%
Technology Integration	30%
Cybersecurity Services	28%
Customer Experience (CX)	27%

As we've already stated in Chapter One, almost half of public sector workers (43%) agreed that a lack of clear and strategic vision for digital transformation would prevent their organisation from providing the digital services that people expect within two years.

The vast majority (81%) of chief executives agree their organisation is already very good at using data to drive decision making but this senior leadership perspective is not shared among other public sector roles and sectors. Over a quarter of public sector workers in technical/specialist roles disagreed (27%) as well as 22% of managers.

And interestingly, digging down further into the sectors, the data suggests there is a disparity in confidence between local and central government. Almost a quarter of local government respondents (22%) disagreed on the use of data to drive decision making, compared to only 12% in central government. This suggests that local government may be facing barriers and several key challenges, such as lacking the tools and infrastructure to effectively interpret data or current restrictions in place to freely access the data.

Senior leaders hold the keys to digital transformation

Although there may be a clear strategic vision for delivering digital services at a high level, there's more work to be done to take all workers on the digital transformation journey and embed practices like data-driven decision making across the entire breadth of organisations. This will be crucial, particularly for local government as the sector navigates the devolution and reorganisation process in England, allowing local authorities greater decision-making and control at a local level.

The data shows that both middle management (36%) and executive leadership (34%) are seen as key barriers to digital adoption.

This perception is even stronger among those working directly in digital transformation, with 42% identifying middle management as a major obstacle to delivering the digital services needed for the future.

There is also a noticeable divide between central and local government perspectives. Central government respondents view executive leadership as the main barrier to progress, while local government points to middle management. This suggests a breakdown in communication and alignment – in local government, strategic direction for digital transformation from leadership may not be filtering down effectively to middle management, making it harder to implement change. It also indicates a lack of transparency and collaboration between central and local government when it comes to sharing a clear, unified digital vision.

Moreover, central government pointing to executive leadership as a key barrier to digital adoption could also reflect the current landscape as the sector explores the devolution and reorganisation of local government.

What part of your organisation do you feel will be most likely to prevent you from providing the digital services you require by 2027?

Legend:
- Middle management
- Executive leadership
- Support line staff/other
- Frontline staff

Pie chart values: 36%, 34%, 16%, 14%
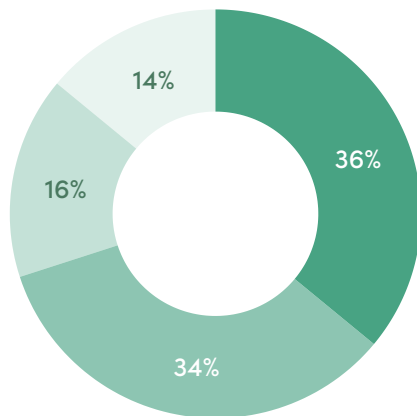
AI and Machine Learning but cybersecurity a concern

With fewer than half of respondents (46%) expressing satisfaction with their organisation's current digital services, when asked which technologies are most needed to close the gap between the digital services being provided now and those aiming to be delivered by 2027 – workers highlighted AI and Machine Learning (ML) as the top priorities (39%) followed by big data analytics (30%) and cybersecurity (27%).

Which technologies are most needed in your organisation to close the gap between the digital services you provide now and the digital services you want to provide by 2027? (Top 5)

Bar chart:
- AI/ML — 39%
- Big Data Analytics — 30%
- Cybersecurity — 27%
- Collaboration Tools — 26%
- Cloud Computing — 25%
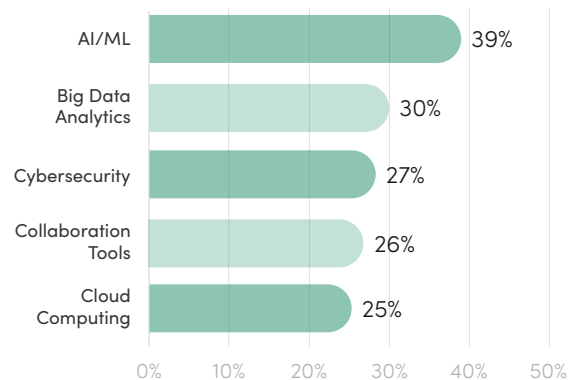
Technology priorities were broadly consistent across central government and local government. However, cybersecurity ranked considerably lower among NHS respondents (13%), compared to over a quarter of central government and local government (27% each). This is a surprise given recent cyber-attacks affecting the NHS and other sectors in the past 12 months.

The data suggests a potential misalignment between perceived risks and strategic focus in some areas of the sector. NHS respondents placed greater focus on mobile technology (28%) and collaboration tools (26%) highlighting that operational needs may be taking more of a priority over reactive considerations that may occur in the future.

Addressing this balance will be critical to ensuring that the NHS can both meet current demands and protect itself against increasingly sophisticated cyber risks further down the line.

Chapter Four:
Addressing digital literacy, inclusion and upskilling the workforce

It is not only important for government departments and organisations to have the necessary technology in place, but there is also a need to improve the digital and analytics skills and talent within government to enable the delivery of high standard digital services that resonate with citizens.

The *'State of Digital Government Review'* states 47% of services offered by central government still rely on non-digital methods like phone calls and paper forms. And in the NHS, 45% of services.

In this chapter, we gauge thoughts from UK public sector workers around the essential skills needed for the future and the potential drawbacks that can impact future adoption and improvement of digital services.
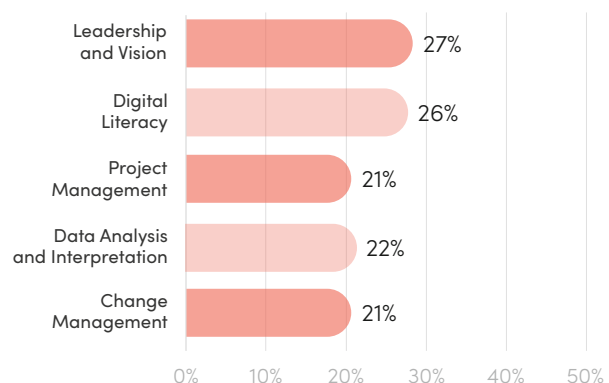
Digital literacy impacting digital adoption

Given the current state of digital services in central government and reliance on non-digital processes, this is likely to continue as respondents from the sector called out digital literacy as a crucial skill to address (30%), emphasising the need for wider education and upskilling of the workforce in this area.

This was also a growing need for over a quarter of respondents in local government (26%) and the NHS (33%), with additional comments calling to "improve everyone's digital literacy skills" and "upskilling the workforce on new technologies."

Which essential skills will be most likely to prevent your organisation from closing the gap between the digital services you provide now and the digital services you may want to provide by 2027? (Top 5)

Skill	Percentage
Leadership and Vision	27%
Digital Literacy	26%
Project Management	21%
Data Analysis and Interpretation	22%
Change Management	21%

As digital literacy continues to impact public sector workers and the potential to deliver effective public services at scale grows, leadership and vision will also play a leading role in shaping digital services for the better (27%). This includes identifying knowledge gaps by upskilling specific departments and personnel to directly address the impact of digital literacy. And as we've seen from Chapter Three, strategic vision and understanding of the core priorities is needed from a leadership perspective. Specific respondents cited the need for "Collaborative leadership to foster faster digital growth."

While the public sector is currently using a mixture of paper-based processes and digital services to serve citizens, digital literacy may be limiting the uptake and utilisation of digital services already in place. As we know from looking at the data, over 60% of central government, local government and NHS respondents cited that their organisation has the correct digital tools in place, but they could have been utilised more effectively for stronger outcomes.

With key challenges that public sector workers are facing with digital transformation and ensuring public sector services are more efficient, we know that training and development are highly important for unlocking digital transformation in the future (30%). This is exacerbated across the NHS with 64% of respondents calling out for training.

Conclusions

Improving strategic vision and consistency across sectors

Despite some progress such as strategic alignment with digital and broader business goals, major barriers remain throughout the public sector. The vision and digital strategy roadmap is unclear, with less than half of respondents admitting that without it, they will not meet future demands by 2027. Inconsistent integration of technology shows over reliance on legacy technology which is impacting key sectors such as the NHS.

The role of interoperability and utilising pre-existing tech

There is an ongoing challenge with system interoperability. To deliver meaningful improvements in service delivery and for citizens to experience the full benefits of digital transformation, public sector systems must be able to communicate seamlessly and share data. Implementing new solutions and technology is beneficial but public sector leaders need to be better at utilising pre-existing technology to enhance service delivery and maximise potential. The correct digital tools are in place but are not being used to maximum effect to increase outcomes for citizens.

Communication and collaboration central to growth in digital

Inconsistent cross-government communication and collaboration is impacting the public sector's adoption of, and improvement of digital services in the future. While central government appears more confident in fostering collaboration and using data effectively, the wider sector is fragmented and unsure of what good collaboration looks like. The NHS and local government are experiencing siloed working practices and not actively sharing learnings and data-driven insights across departments for broader impact.

Leadership to drive AI and data analytics adoption

The public sector views AI and data as a priority—but cultural and leadership challenges are slowing adoption. There is a clear disconnect between senior leadership and frontline staff, as well as central and local government. Middle management is proving to be a key bottleneck, especially across local government. There is a mismatch in how strategy is communicated and implemented, particularly at a local level. As a result, central and local government are not fully working in harmony. As the need for AI and data grows, clear communication and unified leadership direction will be vital to close the gap between strategy and delivery.

### Digital literacy is a major barrier to better public services

It's clear that digital transformation is not just about technology, it's about people, as digital literacy emerges as a foundational barrier to change. Training and development and upskilling the workforce are key solutions to addressing this need. This wider trend also relates to improving digital proficiency for both public sector workers and the citizens that engage with digital services.

As we've seen this year, the government unveiled its plan to support barriers to digital inclusion, which is affecting 1 in 4 Britons. Through the launch of the *'Digital Inclusion Action Plan'*, the government has promised to support local initiatives that increase digital participation, help people and businesses get the essential skills they need to get online safely and make government digital services easier to use with a renewed focus on digital inclusion. This means that for digital services from central government, local government and the NHS to co-exist with proposals from the government's plan, it's essential that the digital services and solutions of today are the best they can be to increase the uptake and engagement with everyday citizens.

Methodology

The research was conducted by Censuswide in conjunction with Granicus among a sample of 634 public sector employees. Of the total sample, Granicus carried out its own data collection of 134 public sector employees. The data was collected between 26.03.2025 and 31.03.2025. Censuswide abides by and employs members of the Market Research Society and follows the MRS code of conduct and ESOMAR principles. Censuswide is also a member of the British Polling Council.
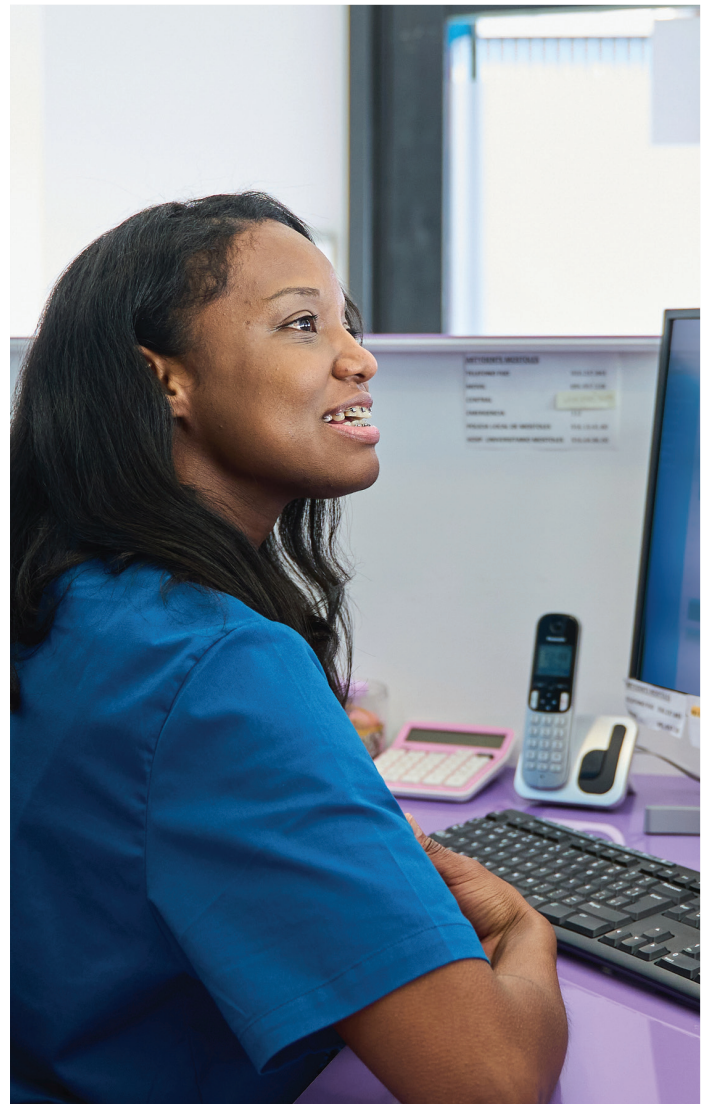
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