



government on the web

a report by the comptroller and auditor general

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appendix ii

progress in meeting the 25 per cent electronic transactions target

ii.1 This Appendix provides a more detailed analysis of the information published by CITU on its Web site in May 1999, giving a progress report on the Prime Minister's target that 25 per cent of transactions should be capable of being delivered electronically by 2002. The CITU report drew on statistics submitted by each Whitehall department about how departments and agencies anticipated that their capabilities to deliver electronic transactions would develop over the next three years, and their anticipated levels of actual electronic dealings.

ii.2 The broadest definition of electronic transactions is that adopted by CITU, and includes systematic phone dealings (for instance, via a call centre), existing 'electronic data' interchange (used between some large companies and government agencies), computer payments, kiosk or ATM transactions, and Web or e-mail connections. It also includes all payments by departments made to citizens through bank accounts, even though departments have been developing this kind of capability for many years, which hence has little to do with 'information age government'. Figure 41 shows the actual percentages of overall dealings conducted 'electronically' and departments estimate of their capability to handle dealings electronically across the two years, with departments arranged in order of the number of their total dealings projected for 2002. The top few departments here account for the vast bulk of all government transactions with citizens. Figure 42 shows the same data, but this time excluding from the "electronic" dealings total those payments made by departments through people's bank accounts. The main effect here is on the Inland Revenue, whose dealings total falls sharply but which stays top; and on the Department of Social Security, whose dealings total halves, and whose rank consequently falls from second to fifth.

ii.3 By applying the percentages for actual take-up projected by departments to their total dealings, we can also calculate the projected number of actual 'electronic' dealings which departments are forecasting for 2002. The main reasons why departments are projecting increases in actual 'electronic' dealings of more than one million dealings are also shown, and suggest that there are five key reasons why 'electronic' transactions are rising:

- Existing large-scale computerised transactions systems are being rather slowly extended, notably for PAYE in the Inland Revenue (see paragraph I.42) and at Customs and Excise.
- Phone-based administrative systems are being developed or expanded, notably for pensions at the Department of Social Security (DSS), and for booking driving tests, obtaining driver vehicle licences and reporting injuries at agencies within the Department of Environment, Transport and the Regions (DETR) group.
- Internet-based administrative processes are being developed for existing tasks - notably for paying value-added tax at Customs and Excise, electronic self-assessment forms at Inland Revenue, the expansion of e-business at Companies House in the DTI group, Internet-based processes at the Department for Education and Employment in vacancy notification and job-filling, and new methods of programming court business and making payments at the Lord Chancellor's Department.
- Existing successful Internet-based services are expected to grow in their volume of transactions at the Foreign and Commonwealth Office and at the Meteorological Office in the Ministry of Defence group.
- Some new policy initiatives have been set up using contemporary information technologies, notably the computer-registration of cattle at the Ministry of Agriculture, Fisheries and Food, and the introduction of the Construction Industry Scheme at Inland Revenue.

Departmental Group	1999			2002			Increase 1999 to 2002 in		
	Total dealings (million)	Per cent of actual dealings electronic	Per cent capability electronic	Total dealings (million)	Per cent of actual dealings electronic	Per cent capability electronic	Total dealings (million)	Per cent of actual dealings electronic	Per cent capability electronic
Inland Revenue	258.8	18	45	280.2	22	79	21.4	4	34
DSS: Social Security	64.9	15	48	63.7	18	51	-1.2	3	3
DFEE: Education	65.2	6	18	63.3	27	45	-1.9	21	27
DETR: Environment	50.3	9	18	50.4	17	76	0.1	8	58
HM Land Registry	32.6	14	27	46.4	51	92	13.8	37	65
HM Customs and Excise	28.8	38	47	28.8	43	86	0.0	5	39
National Savings	22.1	34	50	21.8	na	na	-0.3	na	na
MAFF: Agriculture	2.0	23	36	18.6	40	99	16.6	17	63
DTI: Trade and Industry	9.2	16	23	13.5	52	84	4.2	36	61
Lord Chancellor's Department	13.1	23	30	13.0	31	51	-0.2	8	21
Northern Ireland Civil Service	7.7	10	18	8.1	55	92	0.4	45	74
FCO: Foreign and Commonwealth Office	3.6	21	46	6.6	35	44	3.0	14	-2
Ministry of Defence	5.7	73	73	5.4	95	95	-0.2	22	22
Scottish Office	3.9	40	41	5.0	83	95	1.1	43	54
Office for National Savings	3.6	20	50	3.6	25	56	0.0	5	6
Home Office	1.4	5	5	1.6	33	33	0.2	28	28
Cabinet Office	0.7	46	52	0.7	47	55	0.0	1	3
Welsh Office	0.7	41	98	0.7	50	98	0.0	9	0
DID: International Development	0.4	73	77	0.3	73	77	-0.0	0	0
HM Treasury	0.0	0	100	0.0	0	100	0.0	0	0
Department of Health	0.1	86	93	0.0	99	99	-0.1	13	6
Export Credits Guarantee Department	0.0	59	59	0.0	60	63	0.0	1	4
DCMS: Culture, Media and Sport	7.5	47	55	0.0	na	na	0.0	na	na
TOTALS	582.3			631.7			56.9		
Means		31.2	48.2		45.5	71.4		10.4	20.0

SOURCE: LSE CENSUS OF WEB SITES

Departmental Group	1999			2002			Increase 1999 to 2002 in		
	Total dealings (million)	Per cent of actual dealings electronic	Per cent capability electronic	Total dealings (million)	Per cent of actual dealings electronic	Per cent capability electronic	Total dealings (million)	Per cent of actual dealings electronic	Per cent capability electronic
Inland Revenue	227.7	18	42	245.2	21	80	18	3	38
DFEE: Education	65.1	6	18	63.2	27	45	-2	21	27
DETR: Environment	50.3	9	18	50.4	17	76	0	8	58
HM Land Registry	23.8	19	37	32.1	57	88	8	38	51
Department of Social Security	33.4	2	4	31.3	2	4	-2	0	0
MAFF: Agriculture	1.7	16	24	18.3	39	99	17	23	75
HM Customs and Excise	17.6	28	28	17.6	33	79	0	5	51
DTI: Trade and Industry	8.9	16	22	13.2	52	84	4	36	62
Lord Chancellor's Department	12.4	22	28	12.2	29	48	-0	7	20
National Savings	8.3	4	46	8.0	na	na	-0	na	na
Northern Ireland Civil Service	6.7	11	20	7.1	54	91	0	43	71
FCO: Foreign and Commonwealth Office	3.1	24	43	5.7	38	47	3	14	4
Scottish Office	3.4	43	44	4.8	85	95	1	42	51
Ministry of Defence	4.3	64	64	3.7	93	93	-1	29	29
Office for National Savings	3.0	22	41	3.0	28	47	0	6	6
Home Office	1.3	6	6	1.5	35	35	0	28	29
Cabinet Office	0.7	46	52	0.7	47	55	0	1	3
Welsh Office	0.5	43	98	0.5	53	98	0	10	0
DID: International Development	0.1	28	28	0.1	27	27	-0	-1	-1
HM Treasury	0.0	0	100	0.0	0	100	0	0	0
Department of Health	0.1	86	93	0.0	99	99	-0	13	6
Export Credits Guarantee Department	0.0	59	95	0.0	60	60	.0	1	-35
DCMS: Culture, Media and Sport	7.4	47	55	0.0	na	na	na	na	na
TOTALS	479.8			518.5			46		
Means		20.0	30.1		37.0	58.8		12.9	27.9

SOURCE: LSE CENSUS OF WEB SITES

Departmental Groups	1999 dealings (millions)	2002 dealings (millions)	Change in dealings (millions)	Change divided by 1999 dealings	Main reasons for changes of 1 million dealings or more
Inland Revenue	46.6	61.6	15.1	0.3	Development of Construction Industry Scheme; extension of PAYE; development of electronic self-assessment forms
HM Land Registry	4.6	23.7	19.1	4.1	Internet access to registers and searches
Department of Education and Employment	3.9	17.1	13.2	3.4	Internet-based vacancy-filling; electronic administration of job-seekers' allowance
HM Customs and Excise	10.9	12.4	1.4	0.1	Internet-based VAT declarations and payments
Department of Social Security	9.7	11.5	1.7	0.2	Phone-based pensions processing
Department of the Environment, Transport and the Regions	4.5	8.6	4.0	0.9	Phone-based DVLA licensing; phone-based driving test booking and electronic driving theory tests; phone-based notifications of incidents to HSE
MAFF: Agriculture	0.5	7.4	7.0	15.2	New computerised cattle registration scheme
Department of Trade and Industry	1.5	7.0	5.5	3.7	Internet-based and other electronic processes at Companies House and Patents Office
Ministry of Defence	4.1	5.2	1.0	0.3	Expansion of Meteorological Office Web information services
Northern Ireland Civil Service	0.8	4.5	3.7	4.8	Phone and Web-based applications for road licenses, MOT appointments; job vacancies
Scottish Office	1.5	4.1	2.6	1.7	Web-based Court programming, property reports, and issue of birth certificates
Lord Chancellor's Department	3.0	4.0	1.0	0.3	Web-based Court services changes
DCMS: Culture, Media and Sport	3.5	na	na	na	
Foreign & Commonwealth Office	0.8	2.3	1.6	2.1	Expansion of Web-based travel advice services
Office for National Statistics	0.7	0.9	0.2	0.3	
Home Office	0.1	0.5	0.4	6.4	
National Savings	0.3	na	na	na	
Welsh Office	0.3	0.3	0.1	0.2	
Cabinet Office	0.3	0.3	0.0	0.0	
DID: International Development	0.3	0.2	-0.0	-0.0	
Department of Health	0.1	na	na	na	
Export Credits Guarantee Department	0.0	0.0	0.0	0.0	
HM Treasury	0.0	0.0	0.0	-	
TOTALS	105.2	171.1	77.5		
Means	4.6	7.5	3.4	1.9	

Note: na here means data not available; - means inappropriate division by zero

SOURCE: LSE CENSUS OF WEB SITES

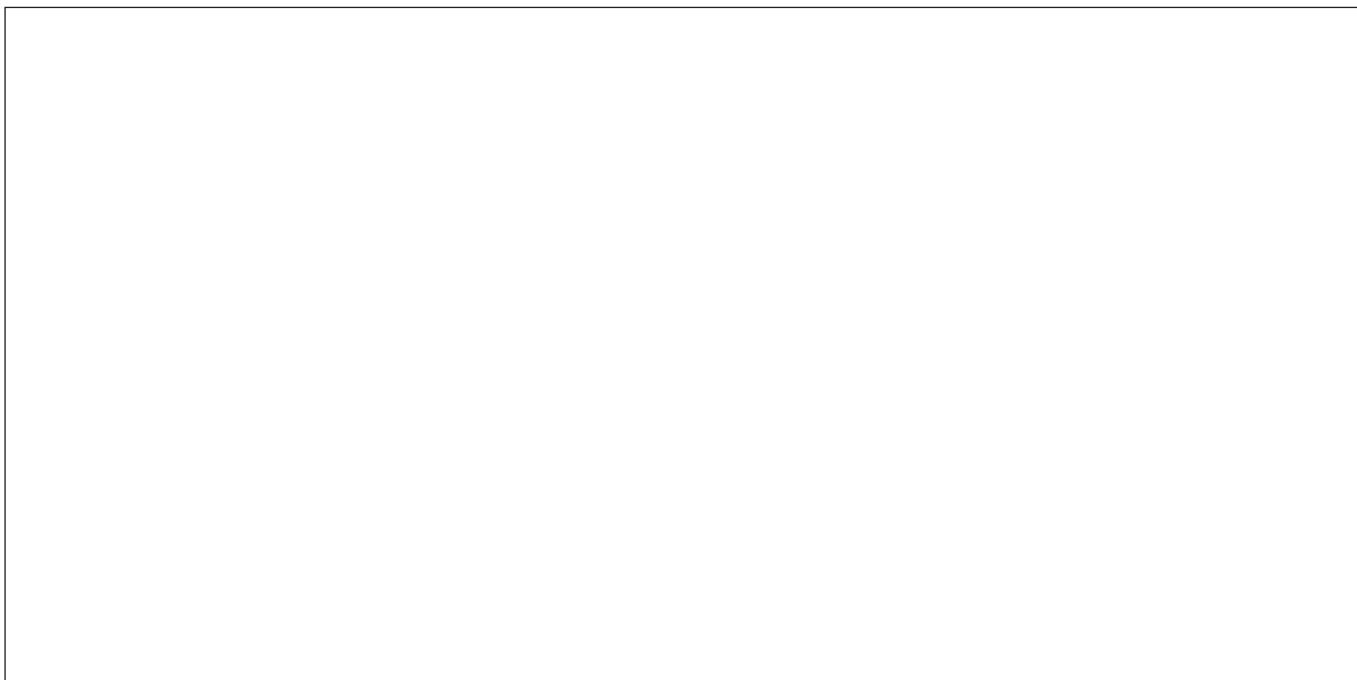
Departmental or Agency	Programme or scheme change	1999 electronic dealings in millions (1)	2002 electronic dealings in millions (2)	Increase in electronic dealings in millions (3)	Increase divided by 1999 electronic dealings (3)/(1)
DFEE: Education	Vacancy taking and filling	3.5	14.4	10.9	3.2
HM Land Registry	Pre-completion registration	4.6	13.1	8.5	1.8
MAFF: Agriculture	Cattle tracking system	0.0	6.7	6.6	-
HM Land Registry	Post-completion registration	0.0	5.1	5.1	-
Inland Revenue	PAYE	5.6	10.1	4.5	0.8
Inland Revenue	Construction Industry Scheme	0.0	4.4	4.4	-
DTI group: Companies House	Provision of company information	1.3	5.2	3.9	3.0
DFEE: Employment Service	Job-seekers allowance	0.0	2.5	2.5	-
DETR group: DVLA	Vehicle licensing	1.1	3.4	2.3	2.0
Northern Ireland Civil Service	Road license renewals	0.0	2.2	2.2	-
Foreign Office	Travel unit advice	0.7	2.0	1.3	2.0
Scottish Office	Court programming	1.3	2.5	1.3	1.0
DETR: DSA	Electronic driving theory tests	1.2	2.5	1.2	1.0
Inland Revenue	Self assessment: electronic	0.5	1.5	1.0	2.0
Contributions Agency	End of year returns	29.7	30.7	1.0	0.0
DTI group: Companies House	Company annual returns etc	0.0	1.0	1.0	-
HM Customs and Excise	VAT collection	0.0	0.8	0.8	-
MOD: Meteorological Office	Information services	2.7	3.4	0.7	0.3
Northern Ireland Civil Service	Appointment for MOT test	0.0	0.7	0.7	-
LCD group: Courts Service	Claim issue	0.0	0.6	0.6	-
DETR group: DVLA	Driver licensing	0.2	0.7	0.4	1.8
Contributions Agency	Contracting out	0.1	0.4	0.3	3.3
Contributions Agency	Personal pensions	4.7	5.0	0.3	0.1
DTI group: Patent Office	Patent renewals	0.1	0.4	0.2	1.9
Foreign Office	Passport changes via consular staff	0.0	0.2	0.2	-
Office for National Statistics	Business surveys by phone	0.1	0.3	0.2	1.5
Scottish Office	Property enquiries	0.0	0.2	0.2	9.0
Northern Ireland Civil Service	Jobs: vacancy filling	0.2	0.3	0.1	0.8
DTI group: Companies House	New company registration	0.0	0.1	0.1	-
DETR group: HSE	Statutory notifications	0.0	0.1	0.1	21.0
LCD group: Courts Service	Divorce proceedings	0.0	0.1	0.1	-
LCD group: Legal Aid Board	Legal aid administration	1.8	1.9	0.1	0.0
DTI	Redundancy payment schemes	0.0	0.1	0.1	-
Home Office: Criminal Injuries	Criminal injuries compensation	0.0	0.1	0.1	-
LCD group: Courts Service	Payment to jurors	0.0	0.1	0.1	-
TOTALS		59.5	122.5	63.0	
Means		1.7	3.5	1.8	1.6

Note: In the last column, - indicates inappropriate division by zero.

SOURCE: LSE CENSUS OF WEB SITES

Changes in the departmental totals at the Scottish Office and in the Northern Ireland Civil Service reflect a compound effect from individual agencies within their departmental groups pursuing analogous changes to their English counterparts, sometimes more speedily and in others cases more slowly. Looking at the final column of Figure 43, in two-thirds of departmental groups there is a relatively modest change in the level of 'electronic' transactions. But in a third of cases there will be a more than 100 per cent increase in the volume of 'electronic' dealings in the period up to 2002.

ii.4 Going down below the level of departmental groups, Figure 44 shows at the agency and specific programme level all those changes which will trigger an increase in electronic dealings of more than 100,000 by 2002, this time arranged in order of the size of increase. Further analysis of these sizeable increases in Figure 45 demonstrates that they cluster heavily in functional areas related either to regulation or to taxation. In fact three quarters of all the increased dealings resulting from these sizeable changes are concerned with government taxing, licensing or regulating citizens and firms. Only a quarter of these changes at most are employing 'electronic delivery' in improving services for citizens. Put another way, the vast bulk of the new 'electronic' dealings anticipated by government arise in administrative areas which are either paid for by charges (such as licenses, tests or registrations) or are generating tax revenues. It seems that it is easier for officials to make a business case for change and to cost-justify technological innovations in areas like licencing, charged for services and tax collection than it is to begin employing new technology in areas of service provision or transfers funded from general taxation.



45 THE DISTRIBUTION SIZEABLE INCREASES IN ELECTRONIC DEALINGS ACROSS FUNCTIONAL AREAS IN CENTRAL GOVERNMENT

Functional Areas	Increase in electronic dealings millions	Share of all increased electronic dealings (%)	Number of sizeable increases	Share of number of sizeable increases (%)
Property regulation	13.8	18	3	9
Employment services	13.6	18	4	11
Taxation	12.3	16	6	17
Transport regulation	6.8	9	5	14
Agricultural Revenue	6.6	9	1	3
Business regulation and services	6.5	8	7	20
Legal services and courts	2.3	3	6	17
Other Services	2.2	3	3	9
Total sizeable increases	63.0	81	35	100
Other multiple small increases	14.5	19		14.5
Total increase in electronic dealings	77.5	100		77.5

SOURCE: LSE CENSUS OF WEB SITES