

Western Australian Auditor General's Report



Delivering Services Online



Report 8: May 2016

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WESTERN AUSTRALIAN AUDITOR GENERAL'S REPORT

Delivering Services Online

Report 8
May 2016



**THE PRESIDENT
LEGISLATIVE COUNCIL**

**THE SPEAKER
LEGISLATIVE ASSEMBLY**

DELIVERING SERVICES ONLINE

This report has been prepared for submission to Parliament under section 25 of the *Auditor General Act 2006*.

Performance audits are an integral part of the overall audit program. They seek to provide Parliament with assessments of the effectiveness and efficiency of public sector programs and activities, and identify opportunities for improved performance.

This audit assessed how Landgate, Synergy, WA Police, the Department of Commerce and the Department of Training and Workforce Development are dealing with the growing demand for providing services online.

I wish to acknowledge the cooperation of the staff at the 5 audited agencies.

A handwritten signature in black ink, appearing to read 'C. Murphy'.

COLIN MURPHY
AUDITOR GENERAL
25 May 2016

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Auditor General's overview

Digital technologies and people's expectations are changing the way citizens interact with each other, with business and with government. This creates opportunities to deliver more services online, more conveniently, faster and at less cost for government and individuals.



The speed of technological change means that this audit of online service delivery is essentially a snapshot in time. Nevertheless, it was apparent that WA is not as advanced as some other Australian jurisdictions in delivering common services online.

The absence of any strong centralised leadership, policy input or oversight is a probable cause of this situation. The appointment in 2015 of a Government Chief Information Officer should help to address this, and speed progress.

The situation amongst the 5 agencies we focused on is probably reflective of the broader WA environment. Priority given to online services varied resulting in mixed-performance. Some agencies have created an effective online presence while others work to catch up.

However, awareness of opportunities to make services more convenient and efficient was evident, meaning that although some opportunities have been missed, they are not lost.

Executive summary

Introduction

Online service delivery is evolving rapidly. This audit takes a snapshot of how 5 agencies are dealing with the growing demand for services to be available online. We chose these agencies because we expected them to deliver a variety of different services online to different groups of customers. We also reviewed the government's [Do it online](#) services portal and looked at central guidance for agencies.

The 5 agencies we audited were the [Department of Commerce \(Commerce\)](#), [Landgate](#), [Synergy](#), [WA Police](#) and the [Department of Training and Workforce Development \(DTWD\)](#).

Background

Delivering services online rather than across a counter or by phone or post can benefit both users of those services and government. The benefits for users include convenience, speed and lower costs. For government agencies, the benefits are the ability to deliver more services to more people faster with less effort and cost.

The relative efficiency of online service delivery is substantial. Deloitte Access Economics has estimated that the average costs for Australian governments of face-to-face transactions are 42 times more than online transactions (Figure 1). Based on the estimated transaction costs, moving half of phone and mail transactions online would save Western Australia more than \$2.2 billion over 10 years.

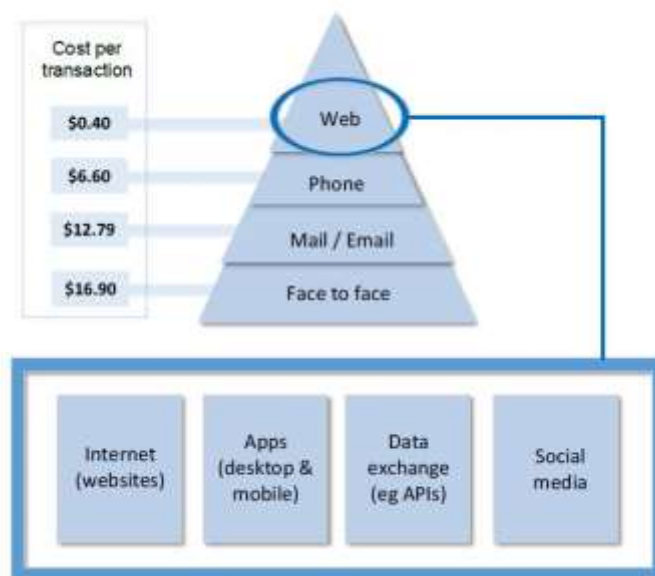


Figure 1: Alternative transaction mechanisms and indicative costs per transaction as well as different online channels

The government website www.wa.gov.au aims to provide a gateway to information about the state government and services provided by state government agencies. The site lists numerous web addresses, social media accounts, YouTube channels, mobile apps and RSS

feeds¹ (Figure 2). According to the Australian Bureau of Statistics, 88.1% of WA households had internet access in 2015. Internet access is also available at public libraries, cafes and community resource centres. By 2017, 91% of Australians are expected to own smartphones that give them internet access wherever they are and whenever they want it.

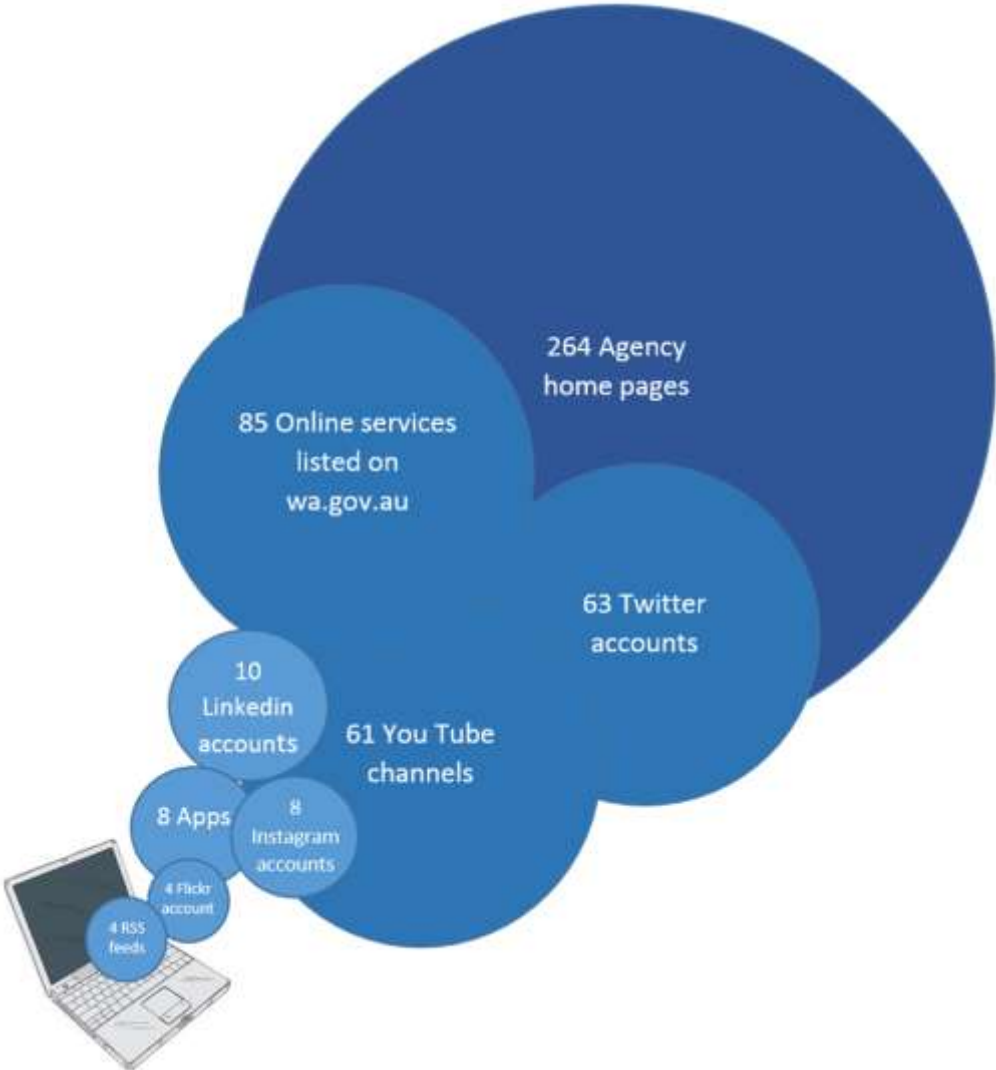


Figure 2: The Western Australian Government online footprint at 13 November 2015

Note – Many agencies manage more than 1 website.

Agencies subject to the *Public Sector Management Act 1994* have to comply with the [Website Governance Framework](#). This framework contains basic mandatory standards covering content accessibility, terms of use and placement of common elements such as the Western Australian Government logo. General principles and a variety of resources to assist agencies support the framework.

Effective online services are those that meet customer expectations. These are formed by everyday online experiences, evolve over time and generally exceed any formal standards. Online banking is one of the everyday services that shape online service expectations and provides a useful benchmark for the quality of government online services. ANZ Bank

¹ RSS feeds enable publishers to syndicate data automatically and removes the need for users to check a website for new content. Instead, their browser constantly monitors the site and informs them of any updates.

reported around 75% of people bank online, up from 63% in 2011. Australian banks score highly on world rankings of good corporate websites.

Access to services depends on effective websites. The web development industry uses a range of criteria for good practice in web design. According to these criteria, a good website:

- is built around what the customer wants, not what the agency wants to show
- highlights services most in demand
- has simple and intuitive navigation with clear symbols
- is not cluttered with text or unnecessary graphics
- displays correctly for computers, tablets and phones
- is supported by social media
- offers secure transactions and personal data
- complies with Web Content Accessibility Guidelines.

Audit conclusion

WA lags behind best practice in making government services available and easy to use online. In the absence of centralised leadership, agencies have generally not seen the move to online delivery as a priority despite increasing customer demand and available efficiencies. The appointment of a [Government Chief Information Officer](#) (GCIO) in July 2015 should help to address this, and speed progress.

All 5 sampled agencies have made progress, but all have significant opportunities to move more services online. Many services that could be delivered online remain paper-based, requiring manual processes. Common activities like applying for a birth certificate can be done online in other states but remain paper based in WA.

Agencies see various barriers to moving services online including the cost of changing systems, resistance to change from staff, uncertainty about legislative requirements and the needs of specific customer groups. However, poor analysis of the results of moving other government services online has left agencies without good information to make well-informed decisions.

Key findings

WA's [Do it online](#) portal lists few of the services available from agency websites. This understates the number that are online and potentially gives a mistaken impression of the range of online services people can access online. For example, people can apply for a [WA Seniors Card online](#) via the agency website but not [Do It Online](#). The portal lists 85 services, less than a quarter of the 440 on Queensland's service portal.

Many government services available online in other states and territories are not online in WA. For example, people can apply for a birth certificate or replacement driver's licence online in most states but in WA applications must be by post or in person. WA's cost recovery based fee of \$47 for a birth certificate and \$36 for a replacement driver licence might be reduced substantially if they were online. Fees for the same services online in Victoria, for example, are \$31 and \$22.60 respectively.

In the absence of government priority and leadership, not all of the agencies have given online services a high priority and competing needs and internal barriers such as legacy

systems have inhibited progress. The [Website Governance Framework](#) provides basic compliance requirements but is not designed to drive improvement in online services.

The [Synergy](#), [Landgate](#) and [WA Police](#) websites have a strong customer focus. They encourage visitors to use online services by addressing them in a personal way to identify their needs and direct them to the right location. Customer-focused websites make it more likely that customers will choose to use an online transaction rather than a more expensive manual one.

None of the 5 agencies delivers online all the services it could, despite the technology being available for many years. As a result, agencies have overlooked potential efficiencies. Many services still depend on customers downloading forms and submitting them manually to the agency. Examples include work safety notifications, changes of address and applying for a record of traffic infringements.

A small number of services are unlikely to move online in the near future because it would not be cost effective. For example, Landgate may continue using a manual form *Convert Common Property Land to Individual Ownership by Resolution* because demand does not warrant creating an online process to manage it.

All 5 agencies forecast costs and savings in business cases for moving specific services online. Only Synergy and Landgate monitored actual costs and benefits. Synergy showed savings of \$815,000 in 2014-15. Landgate has made savings of \$12 million in 2015-16. Failure to monitor costs reduces the information available for agencies to use in deciding to move services online and addressing barriers to the transition. With the exception of these 2 agencies, systems did not enable cost comparisons of different service delivery methods.

Recommendations

1. The GCIO should ensure the development of wa.gov.au as an effective one-stop shop for online government services is commenced by the end of 2016, and that a roadmap for rollout across agencies is developed by the end of June 2017.
2. The GCIO should ensure that relevant policies, standards and guidelines are developed to direct and assist agencies in managing and updating their online presence and provision of digital services by the end of June 2017.
3. All agencies should review their services with a view to prioritising online service delivery wherever possible to improve customer service and reduce operating costs.
4. When moving services online, agencies should:
 - a) pursue opportunities to learn from other agencies and collaborate to improve services and develop new ones
 - b) engage with the GCIO to ensure government as a whole benefits from digital technologies as they continue to develop
 - c) ensure they understand their customers and have the capabilities to meet customer needs online
 - d) measure and report on costs and savings from delivering service online.

Agency responses

Office of the Government Chief Information Officer

The Recommendations in this Report fully align with the State's proposed new strategic direction for government information and communications technology. In partnership with lead government agencies, the [Office](#) is working to improve the number, quality, accessibility and usability of government digital services and online information. The Office is committed to working with other government agencies to provide clear policies, standards and guidelines for digital services and a more streamlined online government presence to improve service delivery and transparency to the community.

Department of Commerce

The [Department of Commerce \(Commerce\)](#) welcomes the opportunity to work with the OAG on this matter as it recognises the importance of a customer focused approach.

The delivery of an online presence has been a challenging process for Commerce on the basis that it is an agency with a wide range of customers often with discrete, narrow transactional needs. While a few customers may have interactions over more than one Division, this is not always the case and often the general public or industry groups are only interested in a specific topic or industry activity. The Government's Website Governance Framework requires that a single website should be used by the agency; this framework restriction limited the capacity for Commerce to fully deliver a customer focused approach.

Commerce continues to be committed to improving our customers experience and their convenience in engaging with our services, particularly online, utilising customer centred design principles. The department has embarked upon a significant program of work to allow its customers to securely apply for the majority of our licenses completely online. It is intended that in addition to improving the customer's experience it will reduce the amount of time taken to assess and approve licenses, resulting in our customers being able to more quickly get to work in their chosen occupation and delivering internal efficiencies.

In addition to this major initiative, Commerce is also one of the lead agencies for the Government CIO's Government Digital Services Portal project, which is a core element of the new WA Digital Strategy. This project will provide the core platform for future online services for not just Commerce but the broader public sector, making it easier, simpler and more secure for customers to interact online with the public service.

Landgate

[Landgate](#) welcomes the Delivering Services Online report and supports the recommendations of the OAG audit.

Landgate has made the online delivery of services a top corporate priority and is committed to delivering world class services online.

Landgate has recently completed a number of major initiatives including the development of a new Land Registry System, integration with Australia's online property transaction system (PEXA), and SLIP Future, the open data platform for location-based information. A project known internally as Koondart will continue the work already undertaken and replace or update Landgate's legacy online systems, as Landgate continues to provide leadership in the WA Public Sector online.

Synergy

[Synergy](#) is pleased the report recognised its digital transformation strategy and the early benefits that have been realised from an increased prioritisation of digital within its business. Synergy concurs with the key findings outlined in the report, and is supportive of the recommendations outlined.

As recognised within your report, customer centricity is a pivotal element of Synergy's digital transformation, and Synergy has benefited from the adoption of a customer first design approach. The implementation of Synergy's new public website in October 2015 has resulted in the accelerated uptake of digital services and realisation of organisational benefits as follows:

- 23% increase in website traffic over the last six months
- 50,000 less calls received by Synergy's call centre
- A 15% increase in the number of forms processed online
- An increase in customer with residential net promoter scores (NPS) increasing by 35 percentage points since November 2015
- The delivery of more than \$3.5m in financial savings to date

Synergy intends to continue its investment and prioritisation of digital service delivery, with the intent captured as part of Synergy's corporate strategy.

Whilst not a specific recommendation impacting Synergy, the recommendation for the Government Chief Information Officer (GCIO) to review and enhance the Website Governance Framework is also supported by Synergy. Experience with the current framework suggests that it is not always aligned to digital best practice, and the framework could be further extended to provide greater direction to agencies to ensure the effective delivery of services online.

Department of Training and Workforce Development

The [Department of Training and Workforce Development](#) has a progressive strategy towards online service delivery. Online service delivery requires a paradigm shift to move from traditional manual processing to online service delivery. It requires significant systems development accompanied by significant business process change and cultural change.

To date, the Department offers a variety of services online, including:

- processing of applications for international students to study at Western Australian TAFE colleges and government schools;
- an online jobs board for Aboriginal jobseekers, and capacity for employers to register and advertise vacancies online through the jobs board;
- assessment of overseas qualifications;
- career support through online chat via the Career Centre website;
- applications for skilled migration programs, including Western Australian State nomination and employer certification for the Regional Sponsored Migration Schemes; and
- information about vocational education and training in Western Australia through the Training Product Search.

While there is still work to do, the Department has a positive track record in investing in online service delivery. The findings of this report provide an informative insight into the provision of services online for Western Australian government agencies. They will be useful as we continue to introduce and implement improvements and enhancements to our own online services across the Department, particularly in context of projects to redesign and redevelop our corporate and service delivery websites which are currently underway and due for completion by 2018.

The Department accepts the recommendations of the report, and will continue to progress towards online service delivery as system development, change management and budget permit.

WA Police

[WA Police](#) remains committed to enhancing online service delivery to the community, beyond the services it already offers the public. I understand your office has liaised with representatives of WA Police in recent months and I welcome your invitation to include an agency response regarding this report before it is tabled in Parliament. Those comments are below:

- WA Police has put considerable resources into enhancing online service solutions. In December 2015 National Police Certificates went wholly online, with 40% of applicants already choosing to use this service. Existing online services include Check My Crime, Report a Hoon, Report My Lost Property, Register a Party, Report Graffiti and a range of infringements. These and other online services will guide Police's ongoing improvement, development and implementations of further online services.
- The OAG audit report correctly identifies that internal barriers, regulatory, legislative and other factors can make delivery of some services online harder to achieve, however WA Police remains committed to improving online service delivery where it can do so.
- Since the audit concluded, WA Police has taken prompt action to address two immediate matters raised in the report: A 'Feedback' button has been placed on the WA Police corporate website home page, which takes the user direct to an online form. This enhances the previous range of 'contact us' options. Secondly, WA Police has made information on the police website regarding the reporting of vehicle crashes clearer and more logical.

Audit focus and scope

We audited 5 agencies – Landgate, Commerce, Synergy, WA Police and the Department of Training and Workforce Development – to assess how well they were responding to the demands of online service delivery. These agencies offer a variety of services to different parts of the Western Australian community and are of differing size and complexity. The sample of agencies is not representative of the sector but captures insights that may assist agencies in the future.

We also assessed the government's centralised online services portal *Do It Online* by comparing it with similar portals maintained by other Australian and international governments.

We based our audit on the following lines of inquiry:

1. Do agencies plan and deliver services online where possible and appropriate, and are they to standard?
2. Are agencies' online services tailored to customer needs?
3. Do agencies monitor and report the costs of online service delivery and do these compare well with traditional service delivery?

To assist our assessment of agency performance, we developed a model based on maturity models used by the UK government, United Nations and others. We also reviewed a selection of basic online services in each state and territory to compare with online service delivery in Western Australia.

There are 'snapshots' giving additional insights into the experience of the audited agencies. These are intended to be broadly illustrative rather than give comprehensive or conclusive findings.

In May 2015, the Public Accounts Committee of the WA Parliament began an [inquiry into ICT procurement and contract management](#). The inquiry is focusing on elements of best practice and ways to apply them in Western Australia. We took account of this when scoping our audit to focus on service delivery.

The approximate cost of tabling this report is \$263,217.

This was a performance audit, conducted under section 18 of the *Auditor General Act 2006* and in accordance with Australian Auditing and Assurance Standards. Performance audits primarily focus on the effective management and operation of agency programs and activities.

Audit findings

Government online service delivery lags behind best practice

WA's *Do it online* portal is poorly designed and not comprehensive

A survey by the Commonwealth's Digital Transformation Office found most people don't know enough about the structures and machinery of government to find government services relevant to them easily. Good website design helps people by providing a simple, intuitive interface backed by an effective search function.

The WA Government's central website – wa.gov.au – is intended to provide a gateway to the WA government and aggregate online services under its *Do it online* tab. The website lacks the focus on services that characterises effective government websites in Australia and overseas. For example, the home page of the UK government website gov.uk has a clear focus on services backed by a prominent search window. Compared to wa.gov.au that has news and weather in the centre of the page (Figure 3).



Figure 3: The service focused UK government website homepage compared to the WA government homepage

Do it online should be a user-friendly portal but is a jumbled noticeboard-style page with no clear focus or intuitive navigation. Its reliance on its parent site's unfiltered general search function makes finding online services unreliable and time consuming (Figure 4).



Figure 4: Section of WA’s [Do it online](#) page from [wa.gov.au](#) (screen grab) showing generic search function and [Do it online](#) tab circled in red.

The [Do it online](#) portal lists few of the services available from agency websites. This understates the number that are online and potentially gives a mistaken impression of the range of online services available. For example, people can apply for a [WA Seniors Card online](#) but this is not listed on [Do it online](#). The portal lists 85 services, less than a quarter of the 440 on Queensland’s service portal (Figure 5).

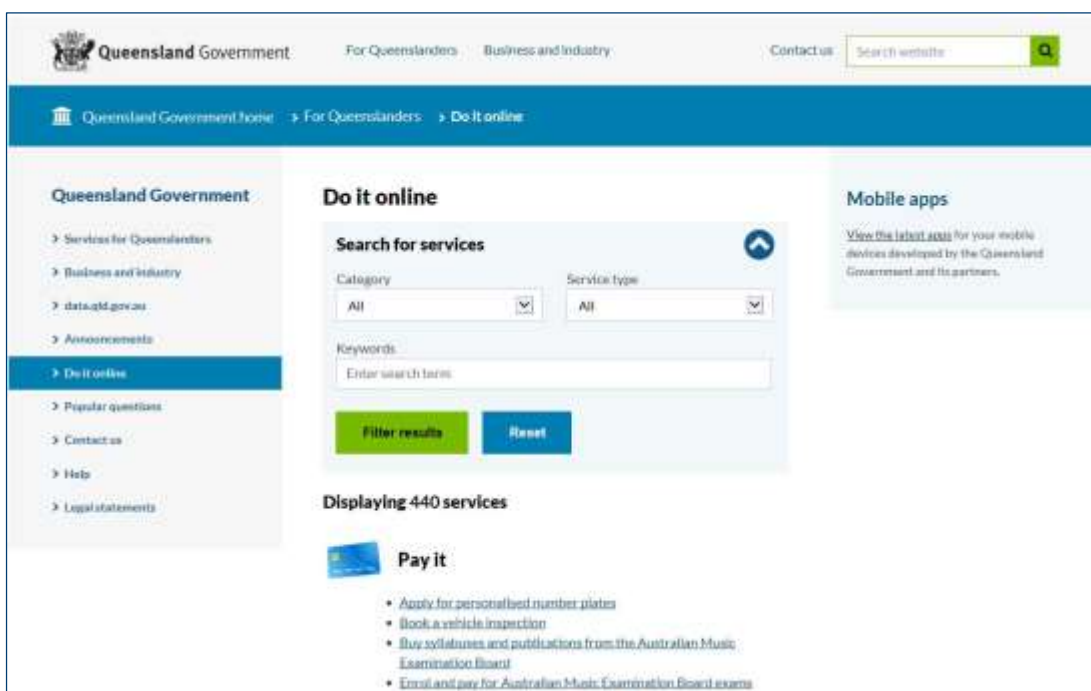


Figure 5: Section of Queensland’s [Do it online](#) site (screen grab)

Services online in other states are not online in WA

Many government services available online in other states and territories are not online in WA. For example, people can apply for a birth certificate or replacement driver's licence online in most states but in WA people must apply by post or in person. WA's cost recovery based fees of \$47 for a birth certificate and \$36 for a replacement driver licence would likely be substantially lower if they were online. Fees for the same services online in Victoria, for example, are \$31 and \$22.60 respectively.

We compared the online availability of 12 common government services across Australia. WA provides 8 of the 12 services online (Table 1) compared with the best jurisdiction, South Australia, which provides 10. All 12 services are delivered online in at least 1 jurisdiction, showing what is possible.

Service	SA	NSW	Vic	Qld	WA	ACT	NT	Tas
Renew a vehicle registration								
Residential transfer of electricity connection								
Apply for a birth certificate								
Search for a licensed builder ¹								
Apply for a senior's card								
Report a car crash								
Order a replacement driver's licence								
Change address on a senior's card								
Book a driving test								
Obtain a certificate of title								
Enrol in state VET courses via a single portal								
View current hospital outpatient waiting times								

Table 1: Online delivery of common services by state and territory governments at January 2016 (Services shaded in blue are available online.)

¹ WA provides a list in PDF format.

We also reviewed the government's Website Governance Framework to assess its role in guiding agencies online activity. Agencies that fall under the *Public Sector Management Act 1994* are required to comply with the framework. This means that 2 of our agencies, Synergy and WA Police, are exempt.

The framework contains very basic mandatory standards that cover content accessibility, terms of use and placement of common elements such as the WA Government logo. It also sets out 8 key principles such as agencies using a single website to deliver services but none refers to customer focus. In this respect, the framework's design does not drive best practice, or enable or encourage agencies to move services online.

Competing demands on resources, resistance from staff and lack of policy leadership have slowed progress

None of the 5 agencies delivers online all the services it could, despite the technology being available for many years. Many WA services still use the slow and inefficient process of customers downloading forms and manually submitting them to the agency. For example, work safety notifications such as for demolition and asbestos removal must be lodged manually in WA but are online in most other states.

Barriers to online service delivery include:

- lack of whole of government policy to drive change
- resistance inside agencies to doing things in new ways
- difficulty persuading clients and partners to change their processes to line up with new processes in the agency
- the cost of retiring old information systems and building new ones
- uncertainty about legislative and regulatory requirements
- the needs and preferences of specific customer groups.

Appropriately, agencies have not prioritised online delivery of infrequently used services. For example, Landgate uses a manual form *Convert Common Property Land to Individual Ownership by Resolution* because demand does not warrant putting it online.

In other cases, agencies have interpreted legislation as preventing online transactions. For example, real estate and business sales representative registration forms must be signed by an authorised witness, making them difficult to move online. Commerce is reviewing authentication processes as part of its Online Licensing Project and pursuing legislative change to address this, but this will take time. A large number of licences still require downloading forms and submitting them in hard copy.

Organisational complexity has also hindered the efforts of the agencies to deliver services online. Commerce, for example, currently consists of 6 businesses that interact with many stakeholder groups with different information systems (Figure 6). By contrast, Landgate is a less diverse business consisting of the information services previously provided by the Department of Land Administration and the Valuer General's Office.

The online presence and back office operations of Commerce and Landgate reflect this key difference, with Commerce facing a challenge integrating its digital infrastructure that Landgate does not have.

Further, although the Website Governance Framework suggests agencies should use a single website to deliver services, this may not always be the most customer-centric approach. Customers of Commerce may find that separate business websites are more effective. For instance, users of Consumer Protection services may see no value in the same website including, say, the Building Commission. Integrating these services online may not be worth the effort.

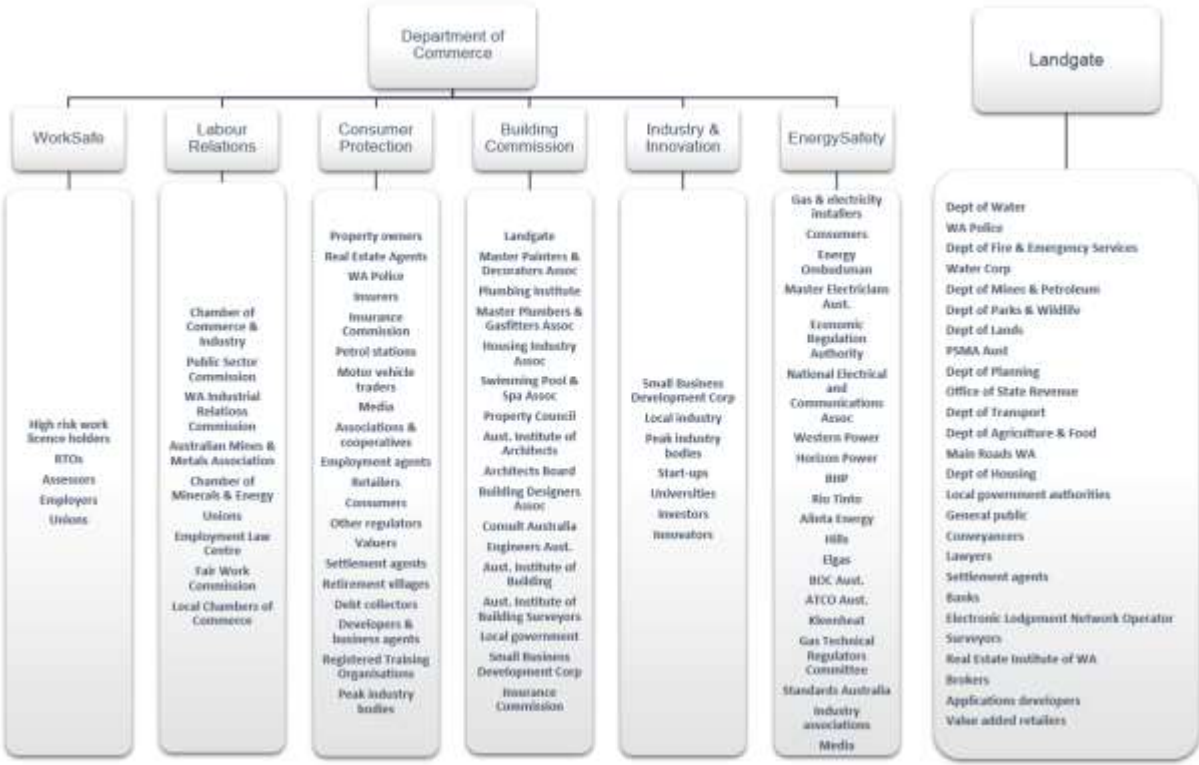


Figure 6: Commerce’s 6 businesses and their stakeholder groups (left) compared with Landgate (right)

Agencies have not fully or consistently applied online capabilities

All 5 agencies show a range of capability to deliver high-level services online. To measure this we used a 5-stage maturity model based on similar models used elsewhere in the world (Appendix 2). As expected, all agencies showed comprehensive capabilities at the first 3 stages of the model covering publishing information online, basic interactivity and online transactions. The higher levels of capability covering customer focus and integration with other government services showed results that are more mixed.

No agency demonstrated capabilities in all types of online activity covered by the model, and none applied its online capabilities to all its services (Table 2). For example, WA Police has invested heavily in community engagement. Its website includes a prominent button on its landing page linking to Bright Blue, the Commissioner’s Fund for Sick Kids. It also has other links to a range of resources and programs for young people and children. But finding out how to report a vehicle theft was not straightforward when we tested it, with online links leading nowhere. WA Police have since fixed this problem.

Stage of maturity	Criteria	Landgate	Synergy	WA Police	Commerce	DTWD
1. Simple web presence with basic information	Information about agency					
	Other relevant information					
	Information is up-to-date					
2. Basic interactivity	Users can download documents					
	Users can download forms					
	Feedback link on homepage					
	Support for online surveys					
3. Users can complete transactions online	Users can complete forms online					
	Website supports e-commerce					
	Users can update personal details					
	Certificates available in digital form					
	Agency tests web app security					
	Agency uses secure transaction service					
	Agency protects personal information					
4. Websites are built around customer needs	Homepage is customer focused					
	Website design is up-to-date					
	Key services are found within 3 clicks					
	Website supports disability access					
	Website supported by parallel channels					
	Website supported by live chat					
	Website hosts community-focused activities					
	Website seeks customer input					
5. Integration with other agencies' services	Feeds information to other agency websites					
	Hosts information from others agencies					
	Links to externally-sourced services					
	Hosts externally-sourced services					

Table 2: Online service model

Blue indicates that the agency website met the criteria, orange means partially or indirectly met and grey means not met. For a detailed explanation of the criteria, see Appendix 2.

In another example, Landgate has aimed its online services at its key market but has not considered other groups in the community that may benefit from them. It has resources of interest to non-business customers such as students but does not promote these on its website, leaving people to discover them for themselves.

No agency has yet applied online capabilities in all areas of their business. For example, Synergy has not extended all its online facilities to business customers. Similarly, performance was mixed at maturity stages 4 and 5, which relate to customer focus and service integration.

All 5 agencies placed key services within 3 clicks of the home page and all used multiple channels, including social media, in their services. Four agencies sought customer input and participation in their services. Commerce did not, but it was the only agency to demonstrate significant service integration. Only DTWD offers live chat to assist customers using its website.

Though agencies have designed their new websites to comply with the [Web Content Accessibility Guidelines 2.0](#) of the World Wide Web Consortium, all include PDF documents that are not fully accessible. However, this is not as serious a concern as it once was because separate technology available to users with disabilities reduces their reliance on built-in accessibility features.

Poor customer focus of agency websites potentially affects online services

The 5 agencies we audited showed different levels of customer focus and engagement in their websites. The Landgate, Synergy and WA Police websites were the most customer focused. This reflects the nature of their services and target audiences and their strong approach to analysing customer needs. The Synergy and WA Police sites encouraged visitors to spend time on them by addressing users directly and posing questions. Landgate focuses more on the needs of its commercial customers. Research shows that customer-focused websites make it more likely that customers will choose an online transaction over other more expensive channels.

A good website should focus on and engage the intended user. Its features should be arranged to suit the needs and interests of the customer rather than reflect the physical or business structure of the agency. Customer-focused websites help agencies operate efficiently by making it easy for customers to get what they need online, taking pressure off staff and freeing up resources. Badly designed websites make it harder for customers to deal with agencies and more likely to use call centres or approach counter staff.

The Landgate, Synergy and WA Police websites focus on what the public is likely to be looking for by highlighting commonly used services and search functions. DTWD has achieved this in its sub-sites but not in its main site.

Synergy and WA Police have gone furthest to engage customers in a personal way. Synergy makes this clear by the language it uses – ‘you’ or ‘your’ appear 22 times on its homepage (Figure 7) – while [WA Police](#) has its corporate Twitter feed on its homepage. These features help agencies connect with visitors and meet service expectations.

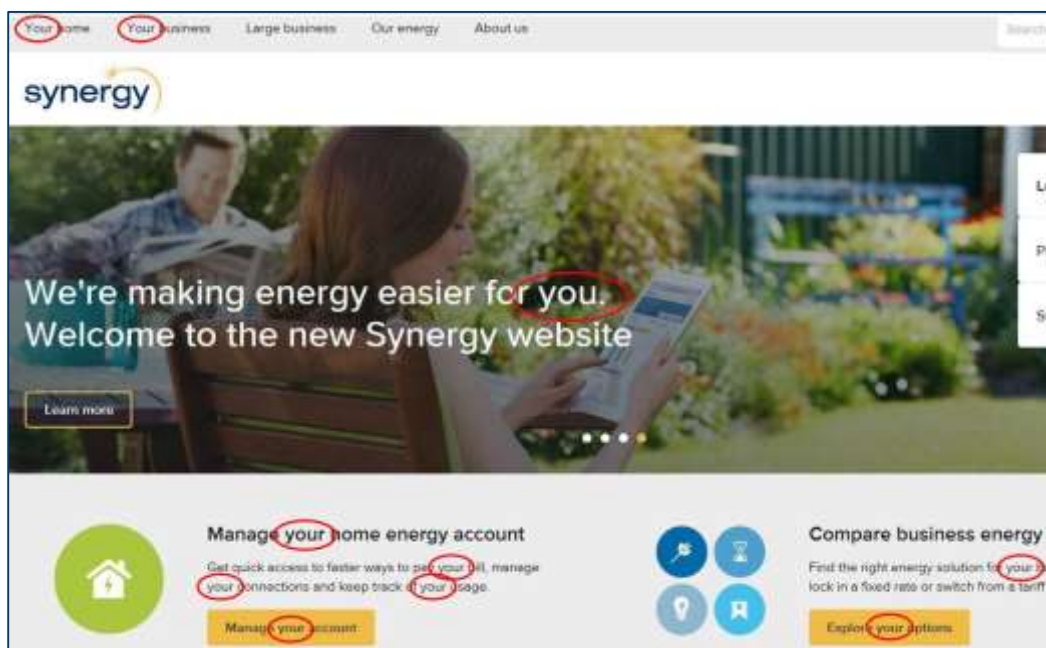


Figure 7: Snapshot from the Synergy website

Synergy uses words like ‘you’ and ‘your’ to address customers directly. This screen grab includes 10 instances, but does not take in the whole page.

Commerce and DTWD are conglomerate agencies with multiple businesses and their websites attempt to provide a single point of access to many services for distinct customer groups. As a result, these websites appear unfocused, highlighting information that is not relevant for most visitors.

Buttons linking to subsites for its 6 businesses dominate Commerce’s main website. There is a generic search function at the top of the page, and a set of tools for services at the bottom of the homepage but their purpose is not obvious. The homepage also includes news feeds and corporate information that takes time to digest but is not relevant to visitors looking for specific services.

Commerce’s subsites follow the same design as the main site but are more customer-centric because they focus on services rather than organisational links.

DTWD’s main website resembles a departmental notice board cluttered with announcements and links that are likely to confuse visitors (Figure 8), but the agency has developed customer-centric subsites for specific purposes. For example, it has created a more effective subsite for the [Aboriginal Workforce Development Centre](#) (Figure 9). DTWD is in the process of redesigning its entire web presence including its main website.

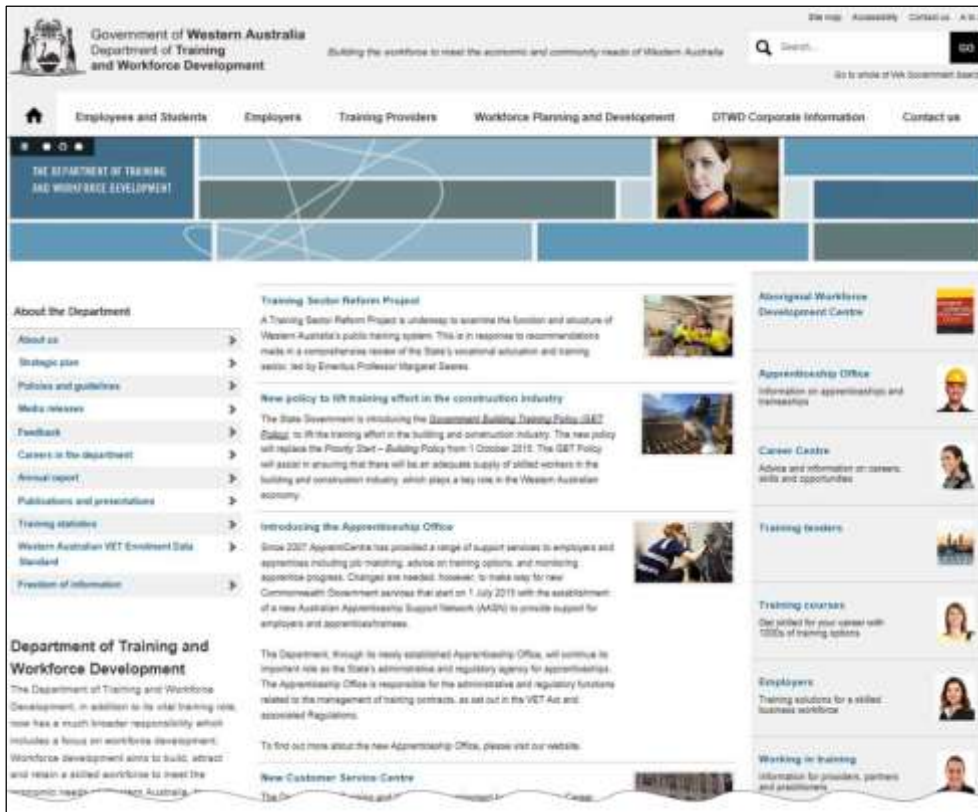


Figure 8: DTWD home page (partial) at 23 February 2016

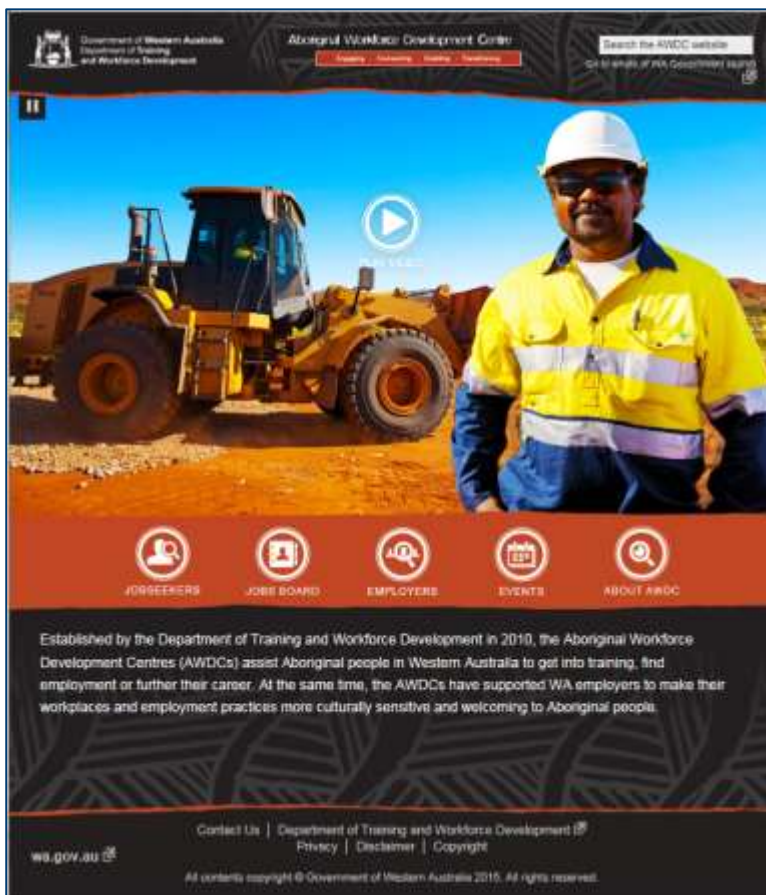


Figure 9: Aboriginal Workforce Development Centre landing page

All 5 agencies analysed customer needs in developing their websites. Landgate and Synergy have done most to understand customer needs and apply to the websites. They use detailed customer profiling, focus groups and user journey workshops, customer 'heat' maps and online behaviour metrics to understand the needs of their customers. WA Police analyses social media data to understand better the communities it works with.

DTWD has developed customer profiles but has not yet used them to update all its websites. Commerce has relied on internal discussions, limited testing and focus groups to plan online delivery of specific services. This narrower approach means that Commerce might miss opportunities for efficiencies or better services that a deeper understanding of its customers could uncover.

Commerce's rollout of its \$550,000 online rental bond system is an example of the importance of understanding customer needs and behaviour. The agency initially consulted the Real Estate Institute of WA and a small number of major real estate companies about the system on the assumption that they were representative of the rental market. When initial take-up did not meet its target of 40% of the rental market, Commerce realised that it needed to consult more extensively. The system is now used by 65% of companies.

All agencies considered customer feedback important but none did it particularly well, and most made it quite difficult. While they all provide ways to give feedback, not all explicitly or openly invite it, especially from their homepage where it is often relegated to a footer link along with the copyright notice, disclaimer and privacy statement. This can give the impression that feedback is not welcome.

Only Landgate invites suggestions on any aspect of agency operations. Others invite feedback only on their websites (Commerce), restrict feedback to a limited menu of choices (Synergy) or characterise feedback as either complaint or commendation (WA Police).

While WA Police devotes considerable space and explanation to its feedback processes, including a downloadable brochure, its feedback process is potentially confusing. A link on the home page takes users to a 'Contact Us' page, where they must then choose either to comment directly or follow another link to 'PoliceDirect' which has guidance for various types of complaint or commendation, including of individual officers.

Only 2 of the 5 agencies monitor the costs and benefits of online service delivery

All 5 agencies prepared business cases that forecast costs and savings from moving specific services online. Forecast savings can be substantial, but only 2 agencies monitored actual costs and benefits, showing significant savings. Not monitoring outcomes impacts future decisions to move services online and to addressing barriers to the transition.

Only Synergy and Landgate have accounting systems to enable cost comparisons of different service delivery methods. Synergy calculated financial benefits of \$815,000 in 2014-15 from moving services online. Reduced telephone and postal transactions made up a large part of the savings. Synergy forecasts net business benefits totalling \$15.1 million over 5 years from an investment of \$7.7 million.

Landgate has introduced an online registration system, which to date deals with 35 per cent of all title transactions. This led to savings of \$12 million in staffing costs in 2015-16 through 117 voluntary separations.

Commerce forecasts savings of \$11.5 million from its \$4.5 million online licensing project over the next 2 years. Commerce has not measured cost savings from completed projects because its financial systems do not disaggregate them.

Other agencies have measured savings in specific cost areas. For example, DTWD reported \$33,651 in reduced letterhead, envelope and postage expenditure after taking a service online. Agencies expect savings mainly from reduced staff numbers.

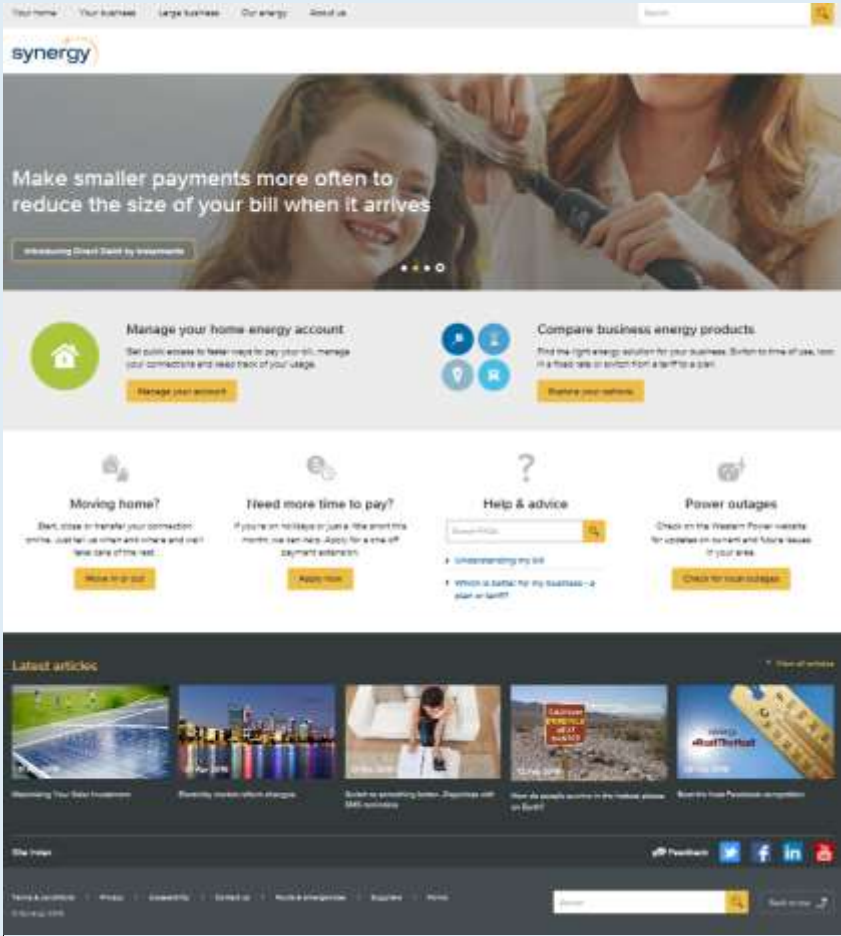
A benchmarking survey of 12 agencies by the Chief Information Officer Council in August 2015 found no common understanding or standardised approach to the classification of ICT resource allocation. It also found that some agencies do not have readily available data on their ICT expenditure. ICT expenditure includes online service delivery.

All agencies we looked at use web analytics to measure usage of their online channels. This low-cost data includes numbers of visits, where visitors are from, how many are first time visitors, how long they stay on the site and what they do there. The data can reveal how effectively each channel reaches its target clientele and services customer needs. Trends in the data help agencies plan services. Agencies also use online surveys to assess service effectiveness and perceived benefits.

Appendix 1: Agency snapshots

Synergy – commercially driven customer focus

Synergy is a government-owned electricity generator and retailer operating in a changing energy market with commercial competition in the form of alternative power sources. Two years ago, Synergy realised the costs of using account managers to sell its products and call centres to service customers were high while relatively few customers used its online channel. In September 2014, it developed a 3-year digital strategy and began implementing it to shift business online. Synergy refers to each of the 3 years as a horizon.



Horizon 1 focused on getting the basics right for online self-service and initiating sales for small and medium enterprises (SMEs). This meant the website had to give more product information, customer engagement and lead generation, and enable customer choice and personalised offerings in the future. Synergy completed Horizon 1 in January 2016.

Horizon 2 will build a fully online sales process, including contract renewal, for residential and SME customers. It will finish digitising processes not addressed in Horizon 1 and ensure they can be further developed or changed in necessary. Horizon 3 will personalise services and make all services for large businesses available online.

These changes aim to make the website Synergy’s most used customer channel by 2017.

DTWD – an ongoing program of work

DTWD manages the state's vocational education and training sector. It interacts with students, working people seeking training, employers, school leavers, migrants, state training providers and other government agencies nationwide and internationally and offers key services online through its main website and 10 sub-sites.

Since 2009, DTWD has launched 9 sub-sites with 2 of these updated in 2015. All websites are expected to be updated by 2018. Since 2010, DTWD has also been updating its back-end systems and capabilities. This includes a new customer relationship management (CRM) system and implementing a corporate data layer to link systems so all online customers can access the same information.

In 2011, a migration portal for skilled migrants was launched. Together with the new CRM system, it enables customers to apply, pay, and receive assessment and notification online. DTWD estimates annual savings of \$300,000 by reducing staffing costs and improved service through reduced application processing times.

In 2015, the Aboriginal Workforce Development Centre website was redesigned. It went live in December and provides a more user-focused and culturally appropriate experience. It has a contemporary design with 5 interactive content areas and a video promoting services with a new 'jobs board' to support Aboriginal jobseekers. DTWD used only existing internal resources to deliver this project.

The Career Centre website was developed over 2.5 years at a cost of \$1.5 million. Like the migration portal, the site connects customers to the CRM and offers live chat so customers can self-serve. DTWD is the only agency audited that offers live chat. In the 4 years to 2014-15, customer contacts increased by 116% to 19,424, website visits increased by over 180% to 2,329,134 and a total of 25,721 online web portal accounts were created without an increase in staff.

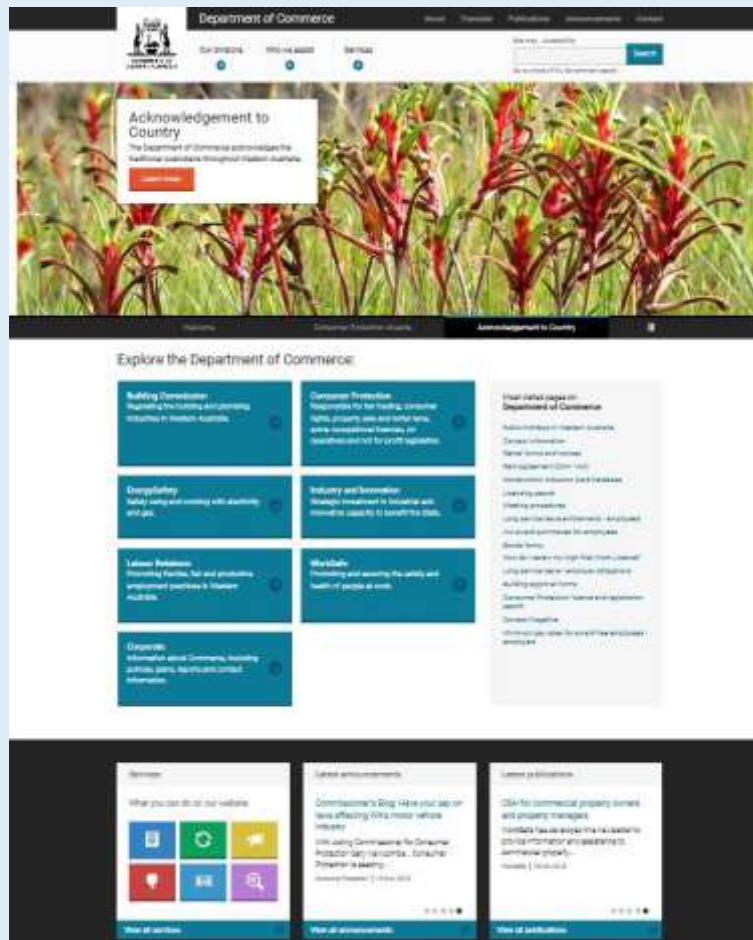
The screenshot shows the official website of the Government of Western Australia, Department of Training and Workforce Development. The header includes the department's name, logo, and a search bar. The navigation menu lists various user groups and services. The main content area is divided into several sections, each with a title, a brief description, and a representative image. The sidebar on the right provides quick access to key services and resources. The overall design is professional and user-oriented, with clear navigation and informative content.

Commerce – representing diverse businesses online

The Department of Commerce is a diverse agency that regulates and assists business and protects consumers and employees. A significant aspect of its work is licensing businesses and individuals to trade. It issues 50 types of licence and registrations through 4 divisions to businesses and individuals, and deals with 84 stakeholders and stakeholder groups.

Several agencies were merged to form the Department and its structure and website reflect this. Its homepage has links to separate pages structured around the services each constituent business offers.

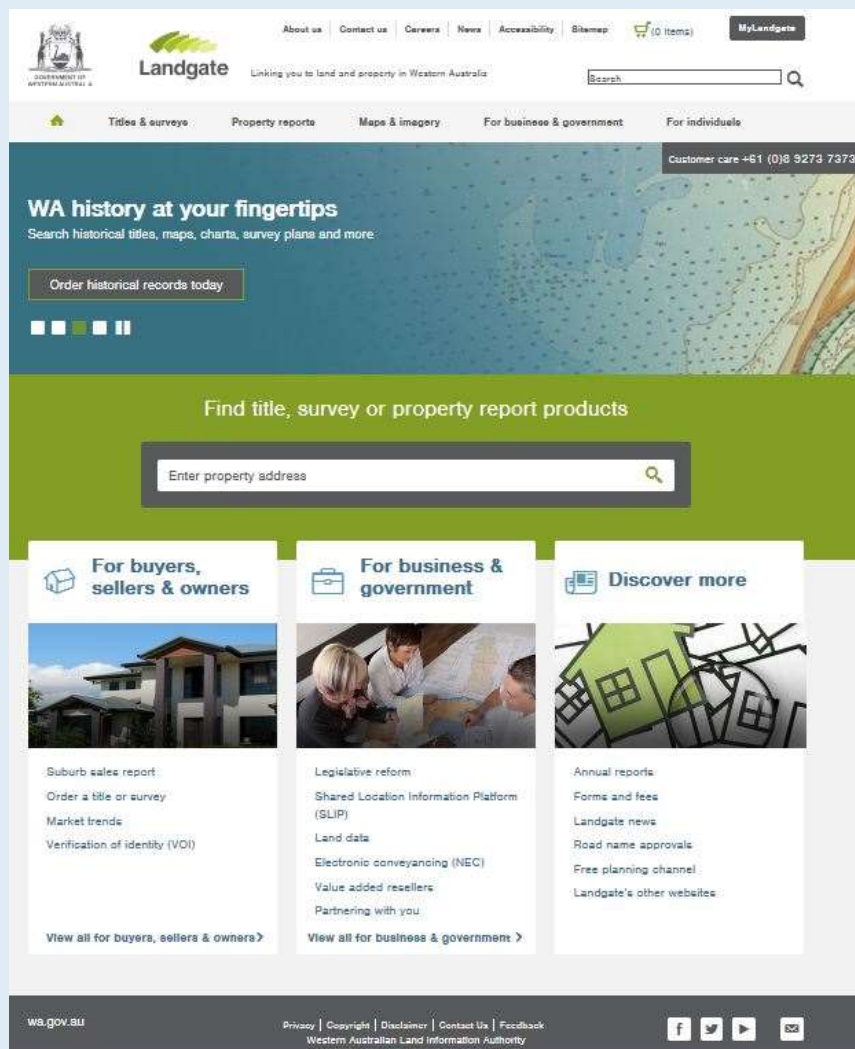
The Department has set out its digital objectives in its Strategic Information Plan 2014 – 2024, and has completed many projects to improve its services. They include: refreshing the website, migrating Building Commission licensing and complaints onto a common departmental platform, rebuilding Consumer Protection’s residential bonds system with an external portal for property agents and connecting it to the Commonwealth Bank, introducing a licence scanning system for EnergySafety, improving WorkSafe’s compliance system, and moving High Risk Workers Licence renewals online.



Landgate – rethinking what it means to be a digital agency

Landgate is the register of record for real property in WA. It provides information-based services to government and sells them to a variety of users. It does this to support an efficient market for real property. The development of digital technologies has led the agency to ask – ‘what should an information agency look like in a digital world?’ Its answer will have a direct and fundamental impact on its structure and resource needs.

The organisation is well advanced in thinking this through and implementing changes. For example, Landgate has developed a new land registry platform to meet the needs of the emerging electronic market for property. This is part of a wider IT Strategy that will see the replacement of systems that support and deliver Landgate’s products and services. The new platforms are based on cloud services and are commercially available solutions, which Landgate expects will minimise costs and maximise productivity and customer value.



WA Police – using social media to connect with communities

WA Police's increasing use of social media has been a key aspect of its customer-centric online presence. Police districts and stations began using social media in September 2011. There are now more than 160 Twitter accounts most at the station level, Facebook pages at the district level, and corporate Facebook and Twitter accounts.

By mid-2015, WA Police had 271,000 Facebook followers, up 4% in 1 month, and 163,000 Twitter followers, up 2%. Around 40% of these were in regional areas. There were also 3,200 Instagram followers.

The 2-way nature of these media helps WA Police to solve crime, educate people about the role of police and build public confidence. The agency supports its staff with strong training, information on the intranet and internal communication of intent, philosophy and tactics. Therefore, despite its widespread use, there have been few problems.

WA police advised that improved community relations is the main benefit of the social media strategy. They plan to extend it to all areas of policing as a collaboration tool.

Underlying WA Police's online development is a broad-based approach to innovation. Using a social innovation platform called IdeaScale employees share ideas, evaluate and prioritise them and collaborate on developing them. The agency reports that 60% of staff are using it and a number of efficiencies have resulted, such as a change to the arrest and detention provisions of the *Criminal Investigation Act 2006*. The agency is now looking at making its IdeaScale platform open for public contribution.

The screenshot shows the Western Australia Police website homepage. At the top, there is a navigation menu with links for Home, About Us, Crime, Our Community, Traffic, Your Safety, Online Services, and Contact Us. A search bar is located in the top right corner. Below the navigation is a large banner image featuring a police vehicle and a building. A dropdown menu for 'Online Services' is open, showing options like National Police Certificates, Infractions, Contact Us, and Victims of Crime. Below the banner is a section with three columns: 'EMERGENCY 000 For life-threatening situations', 'POLICE ASSISTANCE 131 444 When police assistance is required', and 'CRIME STOPPERS 1800 333 000 Report crime anonymously'. The 'What's New' section features several news items: a \$100,000 reward for information on the murder of Valeria Fermendjin, the birth of the breath analyser, 33 years of the Pies and Drums, Making it Tougher for Dooks, National Terrorism Threat Advisory System, Website security, and New Western Australian State CCTV Strategy. At the bottom, there is a 'Recent Tweets' section with a Twitter logo and the text 'PATROL'.

Appendix 2: Online service maturity model

Our maturity model combines features of a number of online maturity models, including models used by the [UK's National Audit Office](#) and the United Nations for its e-government surveys.

Level	Definition	Criteria
1 Web presence	Website only. Website provides information only. No customer contact with agency via website	<ul style="list-style-type: none"> i. Website offers information about agency and its services ii. Website offers information about industry or area of interest iii. Currency is maintained and agencies retire websites no longer needed
2 Basic interaction	Website provides basic interaction such as downloads of documents, reports, forms. May include occasional use of online surveys. May include customer comments / feedback capability	<ul style="list-style-type: none"> i. Website offers downloadable documents, reports etc ii. Website offers downloadable forms iii. Website offers basic customer feedback/comment capability iv. Website offers occasional online surveys
3 Transaction	Includes ability to fill in and lodge forms online, make payments, receive payment reminders and receipts, change personal details	<ul style="list-style-type: none"> i. Website offers online forms e.g. fill in and lodge applications online ii. Website offers e-commerce capability i.e. payments, purchases, reminders, records, receipts iii. Website offers ability to update personal details iv. Digital replacement of physical forms e.g. certificates v. Agency has conducted web application security testing vi. Agency uses secure transaction service (e.g. Bpoint) or is itself PCI compliant if offering online payment vii. Agency has policies and procedures for protecting the security of personal information provided by the public
4 Citizen-centric	Designed around customer needs, prioritises ease of access, volume transactions and inquires, may offer parallel channel, e.g. live chat, membership, community-building	<ul style="list-style-type: none"> i. Website design puts customer needs/interests front and centre e.g. links on landing page ii. Website offers up-to-date design aesthetics e.g. good use of colour, animation, text, relevant non-stock images iii. Website positions high volume inquiries and transactions e.g. payments, within 3 clicks of landing page iv. Website supports disability access v. Agency offers parallel channels i.e. social media, mobile web, mobile app vi. Website offers real time assistance e.g. live chat vii. Website hosts community engagement activities e.g. membership services, promoting community activities viii. Agency actively seeks customer input into and participation in its services, i.e. partnership approach
5 Horizontally integrated	Services interface and integrate easily/ seamlessly with other services across government or commercially that are likely to be of interest to or used by customers	<ul style="list-style-type: none"> i. Agency shares information with other agencies directly i.e. feeds into other agencies' online services ii. Agency includes/uses information from other agencies on its own sites iii. Agency provides links to related services in areas of customer interest iv. Agency integrates/hosts related services on its website

Auditor General's Reports

Report No.	Reports 2016	Date Tabled
7	Fitting and Maintaining Safety Devices in Public Housing – Follow-up	11 May 2016
6	Audit of Payroll and other Expenditure using Data Analytic Procedures	10 May 2016
5	Audit Results Report – Annual 2015 Financial Audits – Universities and state training providers – Other audits completed since 1 November 2015; and Opinion on Ministerial Notification	10 May 2016
4	Land Asset Sales Program	6 April 2016
3	Management of Government Concessions	16 March 2016
2	Consumable Stock Management in Hospitals	24 February 2016
1	Health Department's Procurement and Management of its Centralised Computing Services Contract	17 February 2016

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