GOVERNMENT TRANSFORMATION MAGAZINE

STATE OF DIGITAL

AI Maturity in Public Services

GOVERNMENT REPORT 2025

In association with

Adobe

Contents

Foreword

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It's hard to believe a year has passed since we published our inaugural State of Digital Government Report in association with Government Transformation Magazine.

The pace of change in government is accelerating. We've a new government, department leading on digital transformation and AI, blueprint for modern digital government, NHS 10-year plan, and NHS England is being taken back into the Department for Health and Social Care.

In this year's report, we captured insights from 250 UK government IT decision makers, spanning the manager and director levels across Westminster departments, NHS and the Scottish Government. We focused on digging deeper into alignment behind DSIT's new vision, addressing what's behind the gap between ambition and reality to better understand AI readiness in UK public services.

The findings are clear. Although digital ambition is strong, execution remains a defining challenge. Legacy systems, fragmented data, and procurement bottlenecks continue to hinder progress. Yet there's growing momentum to embrace transformative technologies like AI to reimagine how services can be truly simple, seamless and secure.

Because institutions recognise that the future of public services isn't just digital, it's personal.

Citizens expect services that adapt to them, not the other way around. They want clarity, relevance, and simplicity at every touchpoint. And they compare every government interaction to the best experience they've had elsewhere. That's why personalisation—powered by AI—isn't a luxury. It's a necessity.

The importance of user-centred design (UCD) as a cornerstone of digital transformation is underscored. A reflection of the growing recognition that citizen and employee experiences are symbiotic—better employee tools lead to better, more efficient services that lead to increased satisfaction.

Data is both the fuel for transformation and a persistent friction point. There is an urgent need for data to be integrated through modern data architectures that enable secure, real-time personalisation. Without it, AI cannot deliver on its promise—and citizen journeys remain fragmented.

Incredibly, 70% of government leader respondents suggest that public services are better than those offered by private sector organisations like airlines, banks, and retailers. While there are pockets of excellence, such as passport applications, road tax, and driving licences, this feels at odds with public perception and leads us to the key message of this report: Mind the gap.

Whilst the alignment around DSIT's vision is extraordinary and the excitement for AI is palpable, there are gaps. Gaps in digital skills, meaning the Government isn't making the most of the technology they already have. Gaps in collaboration, creating the risk of policy being disconnected from operational reality, and staffing needs. And gaps in trust, slowing progress and creating barriers to partnering with industry and hesitation in the minds of the UK public.

Ultimately, the State of Digital Government Report 2025 is a call to action.

It challenges public sector leaders to close the transformation gap between strategy and delivery, leveraging technology to create simpler, faster, and more inclusive services.

At Adobe, we believe that delivering connected citizen experiences is not a luxury—it is an enabler of productivity, trust, and better outcomes. By partnering with governments to deliver experiences that put people first, we can help unlock the full potential of digital transformation.

We hope this report inspires you to keep rethinking what's possible and provides actionable insights to drive meaningful change.

Together, we can build a government that is ready for the demands of the AI era, equipped to serve citizens with efficiency, empathy, and excellence.

Thanks to our contributors

Government Transformation Magazine would like to thank the 250 public sector executives who took the time to fill out our survey and build a better understanding of the DDaT priorities, challenges and opportunities facing central and local government organisations. In particular we would like to record our thanks to the individuals below who were able to share their perspectives on the themes and outcomes of our quantitative research, providing valuable context and commentary.

Oliver Fisher
Chief Portfolio Officer
HM Revenue & Customs (HMRC)

Anais Reding
Chief Digital Officer Department for Business and Trade (DBT)

Matt Lyon
Chief Analyst
Government Digital Service (GDS)

Aravindhan Rajesekar
Army Digital Chief Engineer, Ministry of Defence

Senior DDaT Executive
Whitehall Department (quoted anonymously)

Anonymous executive
in central government department

Key findings

1. The digital transformation delivery gap is now the defining challenge

While digital ambition is widespread, transformation continues to stall at the point of execution. Strategic alignment is high, but procurement friction, skills shortages, and policy-delivery disconnects are preventing meaningful progress at scale.

2. AI potential is outpacing organisational readiness

Most departments are eager to adopt AI, particularly in internal operations, but legacy systems, poor data quality, and ethical uncertainty threaten to undermine safe and scalable deployment.

3. Data fragmentation is holding back transformation

Despite rising prioritisation of data governance, persistent integration challenges and siloed systems are limiting agility, inhibiting personalisation, and creating risks around privacy and interoperability.

KEYSTATS

91.2%

of public sector leaders believe the government's digital vision is achievable, but only 66.7% of Technology professionals agree

75.6%

say their organisation is prepared to implement AI in internal operations, but 30% cite poor data quality as the top barrier

Executive summary

From alignment to execution – closing the transformation gap in government

A BOLD DIGITAL VISION is no longer enough. Until government closes the transformation gap between strategy and delivery, real change will remain just out of reach.

This research - drawing on survey responses from 250 senior public sector leaders from across Central Government, the Scottish Government and the NHS - finds a public sector that is strategically aligned on digital ambition, but still constrained by delivery bottlenecks, fragmented data foundations, and inconsistent citizen experiences.

Strategic alignment is clear, but delivery confidence is fractured

Government is aligned on ambition but misaligned on delivery. 91% say the digital vision is achievable, yet only 66.7% of Technology leaders agree (Q1). This gap between strategic confidence and operational reality is now the biggest risk to transformation.

Sector patterns reflect these tensions in different ways. Central government departments generally report higher confidence in delivering on the digital vision, but cite policy shifts and procurement complexity as key operational blockers. NHS organisations show the greatest concerns around delivery confidence due to budget pressures. Scottish Government respondents highlight fragmented data foundations as a particular brake on achieving digital ambition.

AI momentum builds, but infrastructure and trust are gating factors

Readiness for AI is growing: 75.6% report they are prepared to implement it in internal operations, and 72.4% for citizen-facing services (Q12). But adoption is constrained by poor data quality (30%), budget limits (20%), and ethical/privacy concerns (18.4%) (Q13). Without strong data foundations and cross-functional oversight, AI risks outpacing institutional readiness.

The sectors diverge in their AI preparedness. Westminster departments report the highest mean readiness scores and are more focused on aligning AI with policy outcomes. NHS organisations face sharper budget and workforce skill constraints. Scottish Government teams emphasise data quality and interoperability as the primary barrier to AI progress.

Data remains both the fuel for transformation, and one of its biggest friction points

Data is central to transformation, but integration barriers persist. 24.0% of respondents cite legacy integration as their top infrastructure issue (Q14), while challenges with interoperability, procurement, and governance top the list of blockers (Q11a). These systemic barriers undermine the agility required for joined-up, data-driven government.

Skills shortfalls and cultural resistance are still under-acknowledged

One in three (34.4%) leaders cite digital skills and staff capacity as a top priority (Q2). Yet just 8.0% see it as a growing pressure (Q11b). Is the tide beginning to turn on digital skills as a constraint?

Legacy technology remains the most entrenched obstacle

High maintenance costs and poor system integration were each cited by 24.0% as the top infrastructure challenge (Q14). These issues span departments: HR (35.3%) and Digital (33.9%) flag integration gaps; Operations (32.4%) and General Management (23.5%) focus on cost drag. In contrast, cloud infrastructure is widely protected: just 8.4% would deprioritise it in funding scenarios (Q15).

Citizen experience is still fragmented and inconsistent

Friction persists: poor service discoverability (12.8%) and outdated requirements like print-and-sign processes (12.0%) continue to frustrate users (Q5). Feedback methods vary sharply: HR and Policy teams favour qualitative inputs like user interviews; Operations, Comms, and Data teams lean on complaints and analytics (Q6). This fragmentation risks inconsistent service design and delivery priorities.

Sector context further illustrates these inconsistencies. NHS respondents report higher reliance on complaints data, reflecting the operational pressures of service delivery. Westminster departments show greater variation in feedback sources, with some emphasising user-centred design and others driven by policy priorities. The Scottish Government cohort consistently highlight the challenge of integrating citizen feedback across services.

Strategic confidence, delivery friction: where vision meets reality

A shared vision with practical tensions

Public sector leaders strongly endorse the direction of travel: 91.2% say the government's digital vision is achievable (Q1). But role-based analysis reveals cracks beneath the surface. Communications professionals are the most optimistic, 54.4% rated the vision "very achievable." Meanwhile, just 66.7% of Technology professionals say the vision is achievable at all, and none rated it "very achievable." Their scepticism reflects hard-won awareness of technical debt, integration challenges, and delivery pressures.

Execution gaps: procurement, people and policy alignment

When asked what would most accelerate digital transformation, respondents consistently pointed to structural - not just technological - enablers: simpler procurement (35.2%), increased staff capacity (34.4%), and better alignment between policy, DDaT and delivery teams (34.0%, Q2). These are not quick fixes; they reflect the foundational frictions still slowing progress.

Diverging priorities by role

Digital (39.3%), Data (37.9%) and Technology (33.3%) leaders prioritise staff capacity, signalling delivery strain.

General Management (41.2%), Policy (43.8%) and Data professionals (44.8%, Q2) point to procurement reform, underlining the friction between transformation ambition and commercial process.

By contrast, Operations and Communications respondents highlight citizen engagement and governance flexibility, suggesting that frontline teams are prioritising responsiveness over central control. This illustrates the importance of balancing central policy and delivery design with on-the-ground operational realities.

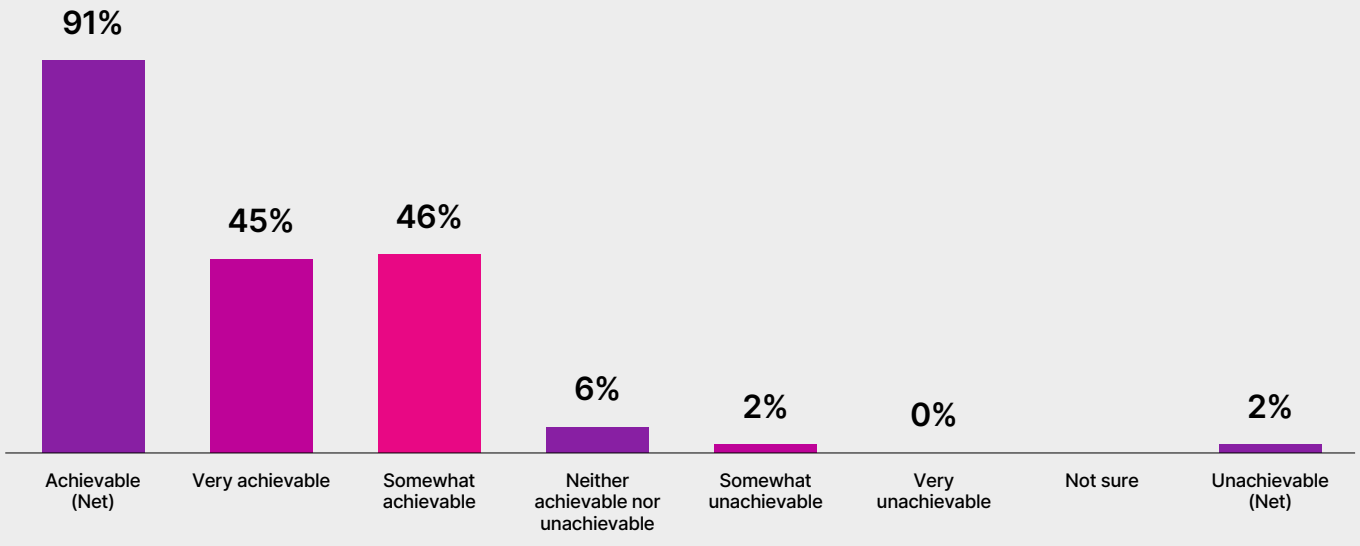
Alignment isn't evenly felt

While 74.4% of all respondents say their priorities align with senior leadership, and 78.4% with DDaT, this masks important divergences. Only 35.3% of HR professionals feel aligned with Policy (Q7). These gaps reveal the risk of transformation agendas being shaped without the full voice of those closest to implementation and workforce dynamics.

From vision to viability

Vision is not in short supply; what's lacking is the operational muscle of IT departments to deliver it at scale.

Q1. How achievable, if at all, is the vision for modern digital government as set out by the Department for Science, Innovation and Technology (DSIT) within your overall public sector organisation's current resourcing, budget and technology landscape?



"The digital landscape in government isn't static, it's a continuous process of adaptation. National priorities and global tech trends must shape the roadmap if we want digital delivery to remain relevant and effective." - Army Digital Chief Engineer, Ministry of Defence

Government continues to evolve towards a more iterative and agile way of working. Confidence in the direction of travel must now be matched by investment in operational realism: joined-up governance, credible roadmaps, and delivery mechanisms that reflect the messy complexity of public service transformation.

These tensions, between strategic alignment and fragmented delivery, are especially evident in the next frontier of government transformation: the safe and effective deployment of AI.

> **"National priorities and global tech trends must shape the roadmap if we want digital delivery to remain relevant and effective."**
>
> **Aravindhan Rajesekar**
> *Army Digital Chief Engineer*, Ministry of Defence

SECTOR CONTEXT

Confidence levels vary by sector. Westminster departments report the highest confidence in achieving the digital vision, with 83.3% saying it's achievable, compared to 71.4% in Scottish Government and 66.7% in the NHS (Q1).

This difference likely reflects varying degrees of perceived control over delivery levers. Westminster departments typically have greater direct influence over policy and digital investment decisions, which may underpin their stronger confidence. By contrast, NHS organisations and devolved administrations often face more complex operational landscapes, tighter budgetary constraints, and cross-organisational dependencies, making delivery feel less assured.

AI momentum builds - but trust, data and risk appetite still lag

Strong readiness signals, tempered by structural realities

Public sector organisations report growing readiness for AI deployment: 75.6% of respondents say they are fully or somewhat prepared to implement AI in internal operations, and 72.4% say the same for citizen-facing services (Q12). But digital ambition alone is not enough. AI success will hinge on the maturity of data infrastructure, workforce capability, and governance frameworks - challenges that echo the structural frictions raised in the previous section.

Yet while optimism is widespread, structural blockers remain. The most frequently cited barriers to AI adoption are poor data quality and availability (30.0%), limited budgets (20.0%), and ethical or privacy concerns (18.4%) (Q13). These point to a fundamental reality: AI success depends as much on organisational readiness and governance as on technical capability.

Foundations first: data, talent and trust

"We rebuilt a lot of those systems from scratch... so we're not suffering from legacy systems where our data might be locked in. That means we can probably be quite creative and innovative compared to other departments. We had a relatively slow start, but it's enabling us to really accelerate now. Some off-the-shelf tools look ready-made, but in practice they haven't been trained on the specific issues we face. There's still a significant amount of work to make them effective."
- Senior DDaT Executive, Whitehall Department. This sentiment is echoed across technical roles. Operations (91.9%) and Technology (83.3%, Q2) professionals are the most confident in their internal AI readiness, but Technology teams' confidence drops for citizen-facing deployments (66.7%) reflecting concerns over reputational risk, cyber resilience, and regulatory clarity.

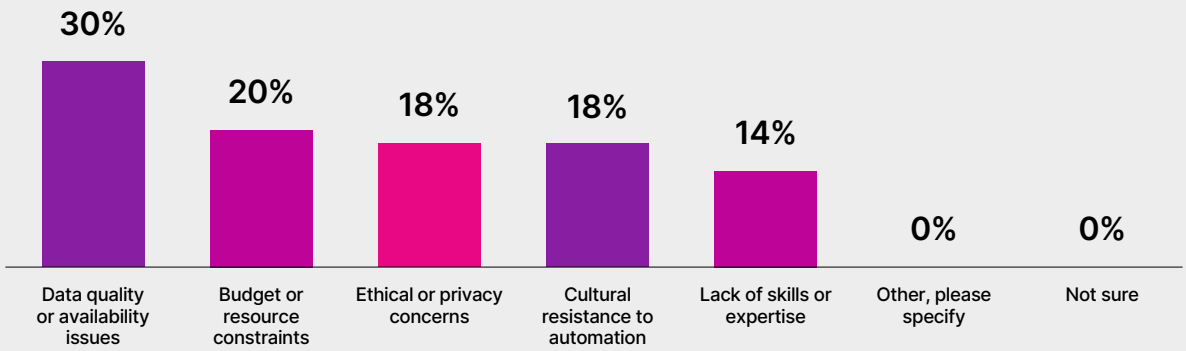
Data professionals are especially focused on foundational constraints. Over 41% (Q13) cite data availability as their top barrier, highlighting the operational limits of siloed systems and patchy metadata. General Management respondents, by contrast, are more likely to emphasise budgetary strain, illustrating that even where digital ambition is high, financial flexibility may be lacking.

Cross-functional challenges demand cross-functional solutions

AI is no longer a speculative frontier, it is a test of digital maturity. Unlocking its benefits requires more than pilots and prototypes. It requires sustained effort across:

- **Data quality and interoperability** - ensuring AI models have reliable inputs;
- **Talent strategy and capability planning** - especially around prompt engineering and data science;
- **Ethical governance (eg. approvals processes, explainability, auditability)** - to mitigate risk, earn trust, and ensure AI serves mission outcomes.

Q13. What do you think is the biggest barrier to AI adoption in your organisation?



> **“The real challenge isn’t just capability, it’s trust. If an AI tool gives misleading advice on a government website, people will treat it as law.”**
>
> *Senior executive,* one of the civil service’s five biggest departments

Crucially, this can’t be left to technical teams alone. Legal advisors, policy designers, and service owners all have a role to play in ensuring AI initiatives are safe, scalable, and aligned to citizen need.

As HMRC’s Fisher puts it: “The greatest risk is how much customers rely on advice from AI chatbots, and whether that advice could be used in court. There’s no difference if a person gets it wrong or a chatbot does.”

“We’ve seen hallucinations: answers that seem credible but fall apart under scrutiny. So we’re treading carefully. We’re starting in a safe space, using AI internally to help people understand things. But the decision-making still lies with them. There has to be a human in the loop.” - Senior DDaT executive, one of the civil service’s five biggest departments

The AI imperative: coordinated, cautious, and credible

When implemented well, AI offers transformative potential. However, if implemented poorly, credibility, service quality, and public trust are eroded.

“AI has shifted our thinking, from digitising what exists to reimagining how services could be delivered. But with that power comes responsibility. Public trust must be built through transparency, ethics, and a strong foundation of secure, usable data.” - Army Digital Chief Engineer, Ministry of Defence

Departments must resist the temptation to chase innovation headlines and instead focus on building the conditions where AI can succeed: secure systems, accurate data, and empowered teams.

That shift demands leadership and patience in equal measure. As this research shows, readiness is growing, but so too are the stakes.

“The real challenge isn’t just capability, it’s trust. If an AI tool gives misleading advice on a government website, people will treat it as law. That’s why we’re moving carefully, always with a human in the loop.” - Senior executive, one of the civil service’s five biggest departments

And at the heart of both AI success and service innovation lies a single foundation: data.

SECTOR CONTEXT

AI readiness varies across sectors. Westminster departments report the highest mean AI readiness scores for both citizen-facing (mean 4.03) and internal services (mean 4.17), compared to NHS organisations (3.44 and 3.44) and Scottish Government (3.96 and 4.03) (Q12).

This pattern reflects differences in data maturity, investment levels, and regulatory focus. Westminster departments often have larger, dedicated AI and data teams, enabling greater preparedness. NHS organisations face stronger budget and skills constraints, while Scottish Government respondents highlight the need for stronger data foundations as a prerequisite for AI progress.

Data foundations: fragmentation, risk, and the limits of progress

A strategic priority undermined by structural gaps

While public sector leaders consistently position data as central to digital transformation, this research confirms that foundational issues continue to undermine progress. Integration with legacy systems remains the single most urgent infrastructure challenge, cited by 24.0% of respondents (Q14).

More broadly, challenges around data sharing and interoperability (14.8%), procurement complexity (14.4%), and legacy technology (13.6%) top the list of barriers to unlocking the full value of data (Q11a).

These are not merely technical concerns. They represent deep structural frictions, spanning governance, procurement, and service delivery, that inhibit timely decision-making, limit personalisation, and hold back safe, scalable use of AI.

“We’re fortunate as a department to have modern data infrastructure, because we were formed post-Brexit and rebuilt many of our systems from scratch. That’s allowed us to move faster, be more creative, and avoid some of the legacy constraints other departments face.” - Anais Reding, Chief Digital Officer, Department for Business and Trade

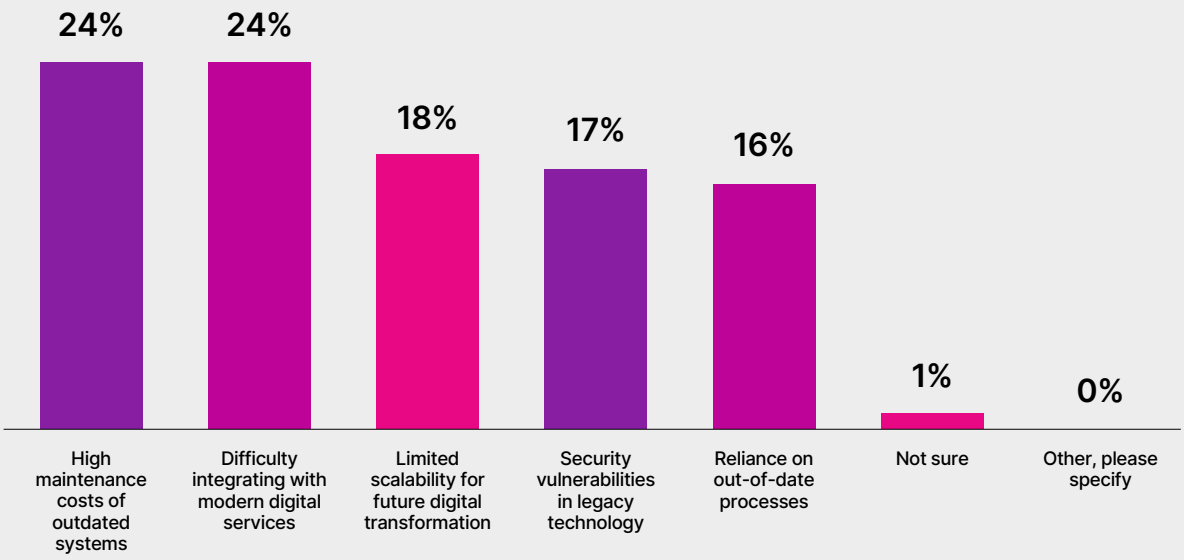
Data as friction, budget as brake

The strain of fragmentation is most acutely felt by Digital professionals, 33.9% of whom cite system integration as their top infrastructure issue (Q14). This reflects their direct exposure to the complexity of reconciling data formats, standards, and access rights across disconnected systems.

Data professionals, meanwhile, highlight foundational constraints. Over 41% cite data availability as their top barrier to broader AI adoption (Q13), underscoring the consequences of inconsistent metadata, siloed repositories, and limited data readiness. In contrast, General Management respondents are more likely to flag budgetary constraints, emphasising that even where digital ambition is high, financial headroom is often lacking.

As anonymous executive in central government department, observes: “A key focus is improving the quality, consistency and accessibility of data across departments. Balancing the drive to break down silos with the need to maintain the highest standards of citizen data privacy remains central to this work.”

Q14. What do you think is the biggest pressure created by legacy technology?



Building fit-for-purpose data environments

Addressing these structural risks requires more than upgraded infrastructure. It calls for:

- **Modular, interoperable data architecture** - enabling integration without centralisation;
- **Privacy-by-design frameworks (such as role-based access controls, federated data models, and built in consent mechanisms)** - to ensure data sharing is ethical, lawful, and publicly trusted;
- **Operational alignment** - bridging the disconnect between data owners, service leads, and policy teams.

AI cannot thrive in a fragmented data environment, and digital services cannot scale if their foundations are brittle. Efforts to modernise legacy systems and extract value from historic data will fail unless risk appetite, skills, and governance evolve in tandem.

Until government addresses persistent data gaps, information will remain both the greatest enabler and the greatest constraint on digital transformation.

Progress will depend on retiring fragile legacy components through integration-ready systems, enhancing cyber resilience to safely broaden data access, and embedding shared governance that aligns delivery, policy, and data functions. By resolving these foundational issues, departments can turn fragmentation into insight, and risk into readiness.

“The biggest hurdle isn’t a lack of data, it’s the inability to connect, share and use it effectively.” - Army Digital Chief Engineer, Ministry of Defence

But data strategy cannot be decoupled from people strategy. The next section explores the human dynamics that can accelerate or derail transformation.

SECTOR CONTEXT

When asked about their top infrastructure challenge (Q14), sectoral differences in data-related pain points came through clearly.

Westminster departments most frequently cited difficulty integrating with modern digital services (26.8%), reflecting the scale and complexity of legacy environments and data silos across large, centralised systems. This highlights the operational risk of fragmented data ecosystems when delivering joined-up government services at national scale.

NHS respondents, in contrast, focused on the high cost of maintaining legacy systems (28.4%). This reflects their acute budgetary pressures, where modernisation efforts compete with immediate service demands. For the NHS, the cost burden of outdated infrastructure directly impacts the ability to fund data and digital improvements.

Scottish Government leaders (31.3%) were most likely to point to limited scalability of existing systems, underlining the challenge of delivering transformation across a dispersed, devolved public sector with varying levels of digital maturity.

Human factors: skills, talent, and organisational agility

Skills and culture as transformation levers

Technology and policy frameworks may provide the scaffolding for transformation, but it is people, through skills, culture, and collaboration, who ultimately determine whether change takes root. Survey data underscores this: 34.4% of all respondents selected "better digital skills and staff capacity" as the top lever for accelerating progress (Q2).

Only 8.0% flagged digital skills as a growing concern (Q11b), which may suggest that departments are actively addressing this known constraint.

Nonetheless, the scale and speed of transformation may still outpace workforce readiness, especially in areas facing legacy modernisation or emerging technology adoption.

"Attracting and retaining skilled talent is a priority as organisational needs change. The focus is on ensuring transformation happens safely, effectively, and alongside the continued delivery of essential public services." - Anonymous executive in central government department

This highlights a dilemma many public sector teams face: how to deliver on rising digital expectations while keeping critical services running, often with constrained staffing and skillsets. It also underscores that people risk is not just about training gaps, it's about organisational capacity, recruitment realities, and the ability to evolve fast enough without undermining operational resilience.

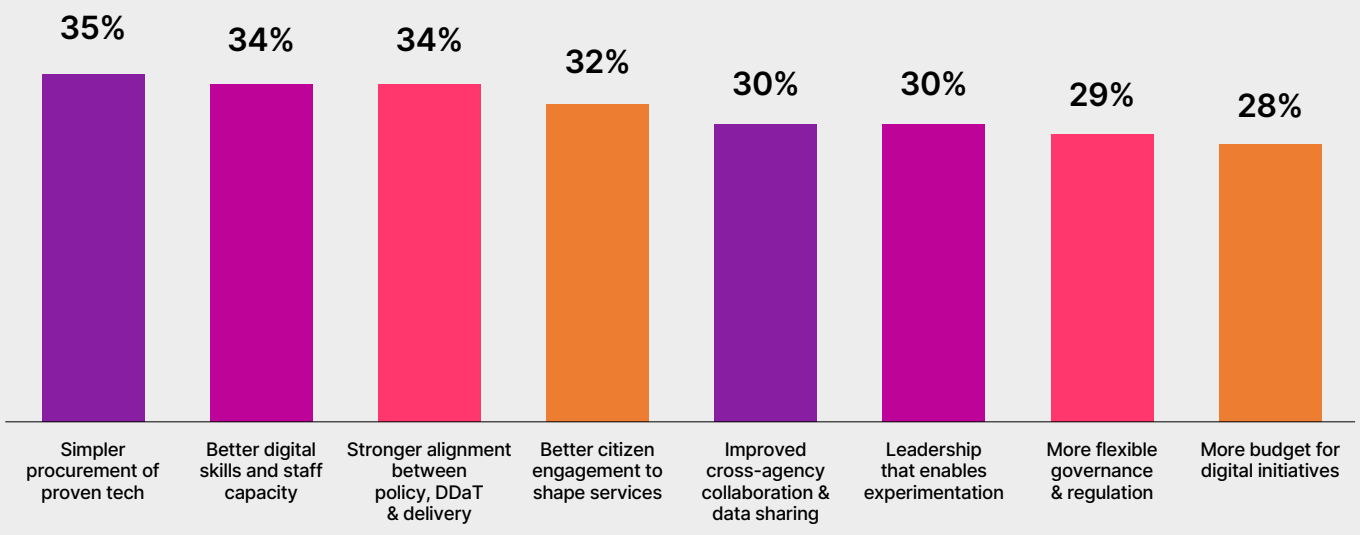
Contrasting priorities: DDaT vs policy perspectives

Digital (39.3%), Data (37.9%), and Technology (33.3%) professionals are among the most vocal in prioritising skills and staff capacity. Their frontline proximity to implementation makes the gap between ambition and capability especially tangible. They are the ones confronting outdated systems, capacity limits, and the need to modernise delivery teams while maintaining essential services.

"We can't just keep paying for people and paying higher wages. And therefore we need to drive efficiencies. It's really apparent that technology, and especially AI, is going to be a key driver of that. We see it as a way to help people use their time more effectively." - Senior DDaT Executive, one of the civil service's five biggest departments

By contrast, only 18.8% of Policy professionals selected digital skills and staff capacity as a top priority. This highlights a strategic blind spot: those shaping transformation agendas may undervalue the operational necessity of workforce readiness. It also signals a potential breakdown in shared ownership for capability development.

Q2. What are the single biggest levers to accelerate progress towards realising DSIT's vision for digital government? (Select up to 3)



HR professionals, while nominally responsible for workforce planning, show limited alignment with Policy (only 35.3% said their priorities are aligned, Q7). This further reflects the fragmentation between strategy, resourcing, and delivery.

“Policy and digital teams speak different languages and work to different timeframes. They need time to build trust and understand how to work together. We’ve started embedding digital colleagues directly in policy teams, not as a lab on the side, but as core members influencing early-stage decisions. Data has traditionally been seen as the analyst’s job. We need to make it a core part of everyone’s role, with more consistent collection, governance and use.” - Senior DDaT Executive, Whitehall Department

“We often observe distinct operational rhythms between different parts of Government. Digital teams frequently use agile, iterative cycles—like test-and-learn approaches—whereas policy and operational teams are often geared towards more structured processes, involving detailed formulation, ministerial sign-off, and legislative change. A key opportunity is to improve the alignment and integration of these effective, but different, delivery mechanisms.” says Matt Lyon, Chief Analyst, Government Digital Service

“Policy and digital often feel like they come from different countries. They speak different languages and work to different timescales. Building strong partnerships, through embedded teams and shared outcomes, is how we bridge that gap.” - Anais Reding, Chief Digital Officer, Department for Business and Trade

Together, these insights highlight the cultural and procedural disconnects that can stall transformation, even where strategic intent is strong. Effective reform requires deliberate effort to bridge these working styles and embed shared accountability across the delivery lifecycle.

People risk in legacy modernisation

Anonymous executive in central government department pointed out that “Many departments are also working to modernise legacy systems, recognising the importance of maintaining critical expertise while building the workforce and infrastructure for the future.” (Fisher). These insights point to a strategic imperative: workforce reform must match infrastructure reform in urgency and investment.

Building the workforce for a digital state

Addressing the skills gap requires a deliberate, cross-functional approach that recognises role-specific challenges and enables shared accountability. Priorities include:

- **Targeted upskilling** across technical, operational, and enabling functions, focused on real delivery constraints;
- **Leadership enablement** in HR, Communications, and Policy, to bridge cultural resistance and align strategy with execution;
- **Cross-functional collaboration** to embed digital competencies into business-as-usual, not as an add-on, but as core practice.

Transformation risks stalling not for lack of strategy, but because the human systems required to deliver it have not been brought along. These human factors are particularly critical in tackling perhaps the most entrenched barrier of all: legacy technology.

SECTOR CONTEXT

When asked what would most accelerate digital transformation (Q2), the importance of digital skills and staff capacity revealed distinct sectoral priorities. NHS respondents were the most likely to identify skills as the top enabler (41.5%), highlighting the direct connection between workforce capability and service delivery resilience in a system under intense operational pressure. This reflects the NHS’s acute need to modernise legacy processes while coping with staffing challenges on the frontline.

Scottish Government respondents (36.4%) also strongly prioritised digital skills, underlining the difficulty of driving transformation across devolved structures and multiple agencies with varying digital maturity. Westminster departments showed lower prioritisation (32.4%) for skills, instead pointing more often to procurement reform (36.6%).

Technology foundations: addressing legacy burdens and infrastructure gaps

Legacy systems: the deepest fault line in digital government

Legacy infrastructure remains one of the most persistent and structurally limiting obstacles to digital transformation. Two issues stand out: high maintenance costs and poor integration with modern systems, each cited by 24.0% of respondents as their organisation's top infrastructure challenge (Q14). But modernisation is not simply a matter of technical debt - it is a gateway to future innovation.

"Modernisation is an ongoing process and a vital enabler of innovation..." - Anonymous executive in central government department

This sentiment reflects a growing recognition that modernisation isn't just an internal IT project, it's a strategic investment that unlocks new capabilities in automation, personalisation, and AI.

The impact of legacy burdens varies by role. Operations (32.4%), Data (31%) and General Management (23.5%) feel the financial drag most acutely, highlighting tensions between sustaining core services and investing in innovation. Digital (33.9%) and HR (35.3%) professionals, meanwhile, cite integration challenges, pointing to internal inefficiencies, workflow disruptions, and a lack of agility.

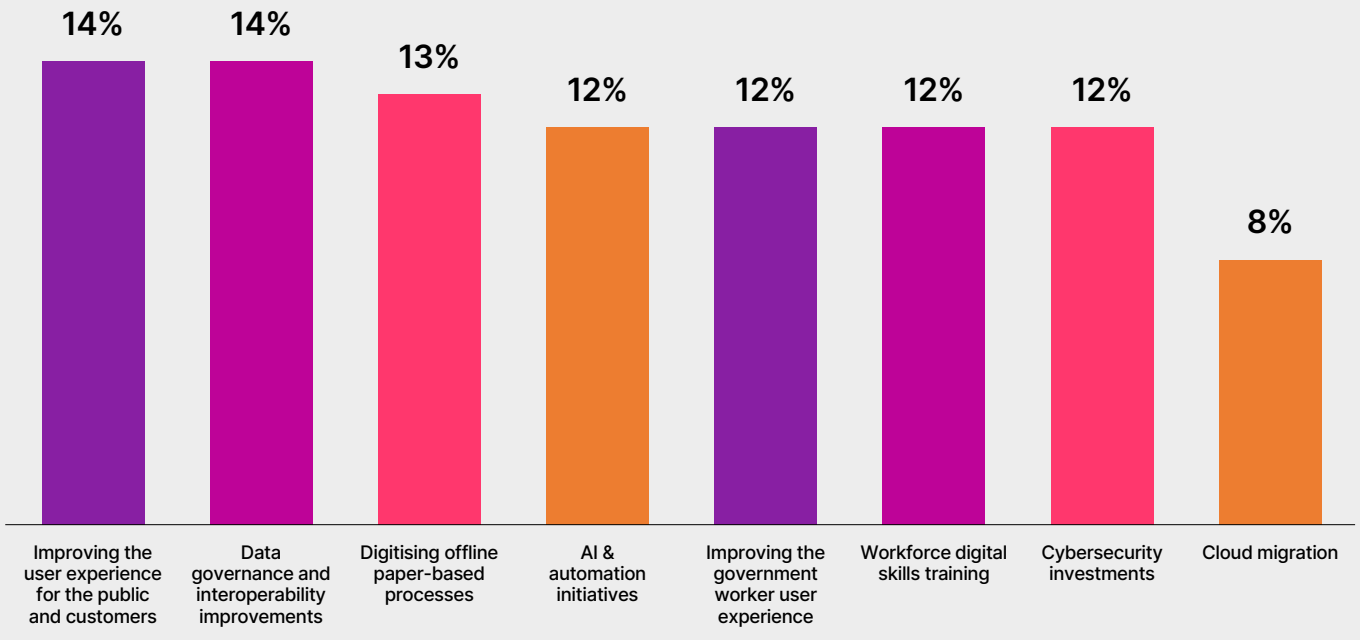
Technology leaders take a forward-looking stance. They are less focused on cost and more on capability: 27.8% highlight limited scalability, and 22.2% raise concerns over security vulnerabilities. Their responses signal a clear warning: legacy systems are not just inefficient; they are ill-equipped for a world increasingly reliant on real-time data, modular infrastructure, and AI-driven automation.

"We recognise the challenge of working with established, or 'legacy', systems. Ensuring these systems are fully modernised and interoperable is a priority. Addressing this technical debt is key to enabling smoother interaction between services and unlocking future innovation." - Matt Lyon, Chief Analyst, Government Digital Service

Cloud resilience: a platform, not a perk

Despite the drag of legacy, cloud infrastructure has emerged as a protected priority. Just 8.4% of respondents identified it as an area for potential funding cuts (Q15), the lowest of any infrastructure category. This suggests cloud is now understood as foundational: essential for resilience, scalability, and service agility.

Q15. If you had to cut funding from one area, which one would it be?



Anonymous executive in central government department underscored this point: “Front-end improvements depend on strong, reliable back-end systems, ensuring that modern services are built on a secure and resilient foundation.”

A strategic mandate, not a technical project

Modernisation must be treated not as a one-off IT fix, but as a whole-system strategic imperative. Legacy systems are not just outdated, they are obstructive. They lock in costs, reduce agility, and jeopardise the scalability required for future-ready services.

Effective reform demands cross-functional coordination. Technology renewal must align with service design, data infrastructure, and workforce planning.

“A significant enabler for large-scale transformation is our organisational culture, particularly our approach to innovation and risk. To fully realise the value of data, we need to continue building our confidence in new ways of working, fostering a mindset that effectively balances and calibrates risk.”
- Matt Lyon, Chief Analyst, Government Digital Service

Departments that isolate their modernisation efforts risk surface-level upgrades that fail to address underlying fragility.

“We’ve created a new Directorate specifically to put digital, data and technology at the forefront of everything we do. It’s no longer hidden away - it’s front and centre of departmental transformation.” - Senior executive, one of the civil service’s five biggest departments

The path forward lies in prioritising the systems that most hinder integration, inflate costs, or expose departments to operational and cyber risk. By doing so, government can lay the groundwork for truly scalable, secure, and user-centred transformation.

Modernisation is an ongoing process and a vital enabler of innovation.

“There’s no silver bullet. One of our core legacy reforms is a seven-year programme. For the first two or three years, people saw little benefit. But now, with momentum building, we’re seeing real change, it just takes time, consistency and senior backing.” - Senior executive, one of the civil service’s five biggest departments

But unless those foundations translate into better citizen experiences, the benefits risk going unseen. The next challenge is at the service layer, where fragmented journeys, legacy processes, and inconsistent feedback loops still frustrate users.

SECTOR CONTEXT

When asked about the single greatest pressure created by legacy technology (Q14), sector differences are striking. NHS respondents most commonly flagged difficulty integrating with modern digital services (31.3%), highlighting the operational challenge of layering new tools onto ageing platforms in clinical and administrative environments.

Westminster departments were more evenly split between high maintenance costs (23.9%) and integration challenges (22.5%), reflecting dual concerns: the financial drag of sustaining outdated systems, and the technical barriers they create for modernisation.

Scottish Government respondents disproportionately identified integration as the top issue (33.3%), with few highlighting cost, underscoring their focus on overcoming system fragmentation in a devolved and multi-agency context.

These patterns suggest modernisation strategies must be tailored: NHS organisations need help untangling integration bottlenecks; Westminster departments face a dual agenda of cost reduction and capability uplift; Scottish Government teams require solutions that bridge fragmented platforms.

Citizen experience: friction, feedback and the path to joined-up design

Despite substantial investment in digital platforms and infrastructure, the citizen-facing layer of transformation remains both the most visible, and the most vulnerable to failure. Persistent friction points reveal how much service experience depends not only on technology, but on joined-up thinking across content, workflows, and delivery channels.

“We’re actively encouraging a shift away from a sequential ‘handover’ model—where policy might be fully designed before digital delivery begins—and moving towards integrated, multidisciplinary teams that collaborate from the initial discovery phase.” - Matt Lyon, Chief Analyst, Government Digital Service

“The tension often comes down to certainty versus agility. Policy teams want firm dates and specifics; digital teams are working in test-and-learn cycles. We’re tackling that by creating multidisciplinary teams with shared outcomes, so delivery friction gets resolved inside the room, not between departments.” - Senior executive, one of the civil service’s five biggest departments

Citizen experience is not just a service outcome; it is a driver of public trust, legitimacy, and delivery effectiveness. Yet users still face avoidable friction when navigating government services online.

The most common self-service barriers identified by respondents were lack of cross-channel integration (12.8%), difficulty locating relevant services (12.8%), and outdated requirements such as needing to print and sign documents (12.0%) (Q5).

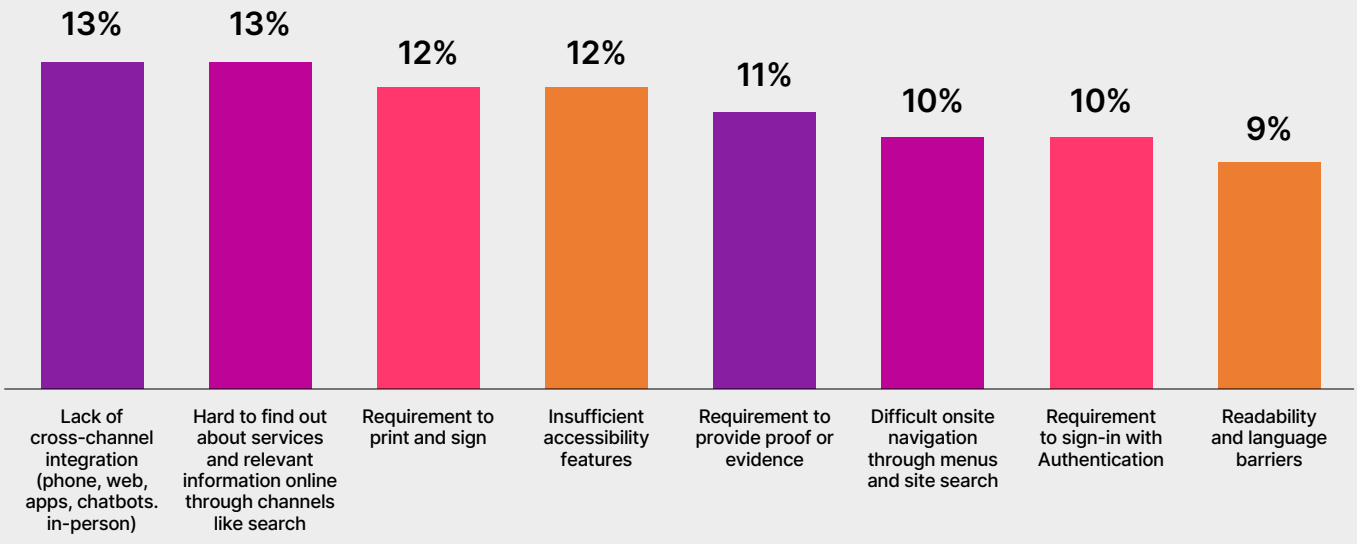
These issues point to structural inefficiencies across government: fragmented platforms, legacy processes that resist change, and a lack of consistency in service standards. No single barrier dominates, but in combination, they create friction for users, especially when digital interfaces are layered onto analogue workflows.

Print-based requirements signal a lack of end-to-end redesign. Discoverability challenges point to gaps in navigation, search, and coherent content strategy.

As Anais Reding, Chief Digital Officer at the Department for Business and Trade, observes:

“We’re moving away from static content and standalone services. By treating content like data, we can automate, personalise, and deliver more proactively, bringing the right information to users, rather than expecting them to navigate to it.”

Q5. What is the biggest barrier to better self-service by the public, when interacting with public sector websites, apps and contact centres?



Her comments reflect a shift underway in some departments: from one-size-fits-all content, toward intelligent, adaptive delivery. But for many, this vision remains aspirational.

Role-based perspectives on UX pain points

Persona-specific insights show marked variation in perceived citizen experience issues. HR professionals are especially attuned to discoverability problems: 41.2% cite difficulty locating services (Q5). Their internal vantage point, often centred on employee-facing tools and onboarding systems, may increase visibility into usability issues.

Technology (22.2%) and Digital (17.9%) professionals emphasise cross-channel integration, signalling a broader concern about systemic cohesion across devices, platforms, and user journeys.

Their focus on integration likely reflects the complexity of maintaining consistency across frontend and backend environments. Authentication and access management were also highlighted as friction points within these cohorts, indicating the operational and security trade-offs faced by technical teams.

Feedback mechanisms vary sharply by function

How public sector teams gather and interpret user feedback is highly role-dependent. Direct qualitative methods, such as interviews and user testing, are most common among HR (52.9%) and Policy (37.5%) professionals (Q6). These roles are typically more involved in strategic design and workforce policy, making them more attuned to the value of human-centred insight.

Meanwhile, Data (31.0%), Communications (28.1%), Operations (27.0%) and Digital (25.0%) respondents rely more on structured data streams, such as customer service analytics and complaints. These methods enable broad performance tracking but may miss the nuance captured through lived user experiences.

Notably, web analytics and user surveys were not a leading source of insight for any group. This suggests an underuse of digital behavioural data.

Embedding user insight into service design

To build truly citizen-centric services, feedback must flow into actionable design decisions. A hybrid model is needed, one that blends scalable analytics with deep, contextual user research.

This also requires tighter collaboration between platform teams, policy leads, content designers, and service owners. Where integration, discoverability, and workflow alignment are addressed holistically, friction can be systematically removed.

“We’re moving away from traditional digital concepts of standalone services and instead trying to bring people what matters, in a more personalised, proactive way. The core issue we’re trying to tackle is that businesses face a fragmented ecosystem of support, and it’s hard for them to know what’s relevant. AI helps us bring the best of that ecosystem together in one place.” - Senior DDaT Executive, Whitehall Department

Ultimately, digital interfaces must do more than look usable - they must embody simplified processes, inclusive design and true back-end transformation. Closing this gap is essential, not just to improve services, but to build public trust. As this research has shown throughout, successful transformation depends on system-wide coordination: where data, infrastructure, policy, and user insight converge.

SECTOR CONTEXT

User experience pain points and feedback practices show clear sector patterns. NHS respondents are most likely to rely on complaints (36.4%) and customer service analytics (31.8%) as primary sources of user insight (Q6), reflecting the operational intensity of frontline service delivery.

Westminster departments demonstrate a broader mix of methods: 27.5% cite complaints, 25% use customer service analytics, and 22.5% draw on user interviews or testing (Q6), showing more balanced use of qualitative and quantitative inputs.

Scottish Government respondents consistently highlight difficulty integrating citizen feedback across services, a challenge linked to their reliance on local delivery partners and multi-agency structures.

Strategic recommendations and next steps: from vision to execution

The findings in this report reveal a government sector that is strategically aligned on digital ambition, but still wrestling with fragmented execution. To close the transformation gap, departments must move from pockets of progress to system-wide coherence, aligning strategy, delivery, and citizen experience.

While this report's recommendations address system-wide priorities, our analysis highlights sector-specific dynamics that must shape delivery plans.

- **Central Government departments** report stronger AI readiness, but struggle with legacy integration and data silos.
- **NHS organisations** face sharper barriers around data quality and budget pressures.
- **Scottish Government respondents** highlight operational fragmentation and funding constraints as key blockers.

These differences underline the importance of tailoring action plans at sector level, while pursuing a shared vision for joined-up, data-driven transformation.

Next steps

1. **Prioritise whole-system modernisation:** retire legacy systems that block integration, scalability, or security, focusing on the highest opportunity cost.
2. **Embed cross-functional governance:** make DDaT, Policy, Operations, HR, and Communications jointly accountable for delivery outcomes.
3. **Build data environments fit for AI and personalisation:** invest in modular, privacy-first data infrastructure that supports both real-time insight and citizen trust.
4. **Close the capability gap with targeted upskilling:** align skills plans to sector needs, equipping Policy with delivery fluency, Operations with agile design, and HR with digital workforce tools.
5. **Rethink citizen experience as a strategic outcome:** ensure user insight shapes service redesign and address policy-rooted process constraints like print-and-sign.
6. **Manage AI deployment through structured oversight:** define standards for explainability and risk ownership; empower cross-disciplinary teams to guide safe deployment.
7. **Define success around real-world impact:** measure progress by simpler, faster, joined-up services and reduced manual effort, not just outputs.

If executed with discipline, digital government can become the engine of simpler, faster, joined-up services, embedding data-driven decision-making, rebuilding public trust, and creating institutions ready for the demands of the 21st century.

Digital government can't afford to be strategy-rich and delivery-poor. Now is the time to close the transformation gap.

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