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Beyond compliance: how councils can harness data for real change

A Civica sponsored roundtable

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In today's complex local government landscape, data is evolving from mere information into a strategic asset. The quality, governance and trustworthiness of data increasingly underpin the decisions that affect communities.

Supported by Civica, CIPFA hosted an in-person roundtable to discuss how local government can unlock data value beyond compliance. The discussion brought together senior public finance leaders and local authority professionals from across England.

The roundtable built on insights from The Future of Local Government 2025 report, which found that only 4% of councils rated their data-driven decision making as excellent. Together, attendees explored the barriers to unlocking data's full value, challenged assumptions and shared real-world strategies for making data a true strategic asset.

This report captures reflections from roundtable participants, highlighting challenges, progress made and practical ways to better use data for citizens.

Data strategy and leadership

Participants agreed that councils often struggle to elevate data from a compliance issue to a genuine strategic priority. Leadership buy-in from both management and elected members was seen as critical to developing effective data strategies for the organisation and the citizens it serves.

A recurring theme was the difficulty of balancing short-term operational and political demands with the need for long-term investment in data capability. A participant pointed out that data should help tell the story of what's driving pressures, such as spiralling social care costs. However, too often, data is used to justify past decisions rather than anticipate future pressures.

The group also discussed the influence language has when communicating data strategies. For example, an experienced finance professional and former deputy 151 reflected on how the terms "digital transformation" and "data transformation" can trigger inertia. Instead small, manageable steps toward a long-term vision can be employed to encourage leaders to engage with data strategy in a meaningful way.

Data quality and governance

Too often, critical decisions rely on fragmented, outdated or inconsistent data. There was a consensus that clean, complete and timely data is a baseline requirement for quality decision making. There was also a recognition that data perfection is unattainable and undesirable. As a former deputy 151 noted, "Getting the right decision should be the priority rather than perfect quality data."

The discussion also explored the importance of strong data governance frameworks, which ensure adherence to legislation while creating the conditions for high-quality, data-driven outcomes.

There was a consensus that over-interpretation of General Data Protection Regulation (GDPR) has often hindered collaborative use of data across teams and organisations.

One participant explained how their council enables collaboration by establishing clear guidance and creating standardised data agreements to define data responsibilities and lawful bases for data sharing with partner organisations.

Contributors suggested that their organisations had already responded to years of lean resourcing by paring costs to the bone and streamlining processes. To get even more for less through productivity increases would thus require comprehensive service modernisation and/ or collaboration between agencies. However, both transformational change and joined-up working face severe impediments. Service modernisation through digital technology entails substantial (and often unaffordable) upfront investment in kit and scarce human expertise. Collaboration between agencies is highly desirable. Integrated approaches to in-patient and outpatient care, for example, involving primary and acute health services on the one hand and local government on the other, are not just about improved resource husbandry, through the optimal management and even prevention of demand.

They can also facilitate a seamless, personalised service experience for citizens. But to bring these approaches to life, participating bodies must free up resources for engagement, co-ordinated planning, and the staffing of combined operations. Furthermore, organisational incentives are often poorly aligned. One party to a collaboration may be subject to political, performance or governance controls that give it no reason to carry out activities from which another party will benefit.

Why should council X spend money on a smoking cessation campaign whose beneficiary is hospital Z? Why should hospital Z support council X if a successful campaign leads to calls for Z's patient-care budget to be slashed?

Despite the challenges, participants mentioned numerous initiatives in which they are involved. In the digital arena, councils and other local service providers are exploring automation and Al. They are deploying technology to transform processing, invoicing and other back-office functions, as well as citizen-facing activities. Contributors argued that to make lasting improvements, technology should inspire comprehensive service reinvention. Existing 'analogue' ways of working should not be mapped onto new digital systems.

Participants also mentioned their experiences with a range of service delivery models. Some had been involved in the merger of council operations or shared services initiatives. They noted the effectiveness of these models in eradicating duplication in generic posts and processes or for pooling scarce skills. The use of third parties in service sharing was also hailed as a route to savings. Contributors certainly mentioned the recent spate of insourcing, often driven by specific contract issues or the pendulum swing of political fashion. Commercial providers and those who had used third-party models were nevertheless convinced that potential gains from this approach were substantial, demonstrable and still to be fully realised. Clarity around data ownership, data lineage, audit trails and sensible access controls can foster accountability and greater public value.

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The <u>Data (Use and Access) Act 2025</u>, enacted after the roundtable, offers new measures for encouraging data access and usage across critical areas such as health and social care. This opens greater opportunities for collaborative use of public service data. However, legal clarity alone isn't enough to shift organisational culture. Embracing the more flexible regulatory stance will require strong leadership and targeted training to support teams through the transition.

Barriers to unlocking data value

Trust was identified as one of the chief barriers to unlocking data value. Do residents trust that their data will be protected and not used for other purposes beyond what was agreed? Will organisations or political leaders weaponise service performance data? Will data sharing within the organisation somehow lead to reduced resource allocation?

Fragmentation was also highlighted as a major barrier to extracting valuable insights from data sets. Different systems, different formats and lack of common identifiers can make it difficult to connect the dots and deliver joined-up services.

Real-world strategies

Participants highlighted effective strategies that have enabled more impactful data use, including transparency, communication, education and applying customer journey mapping techniques.

Transparency

When the organisation is transparent about how data is collected, processed and shared, it begins rebuilding public trust. For example, local authorities can be upfront about the circumstances under which they might share the data they collect. Transparency is also beneficial within the organisation, as it reduces ambiguity, fostering shared understanding. This clarity can help break silos, making it easier for teams to align on goals and collaborate more effectively. For example, if a housing team understands how social care data is structured and governed, they are more likely to use it responsibly and innovatively to support vulnerable residents.

Communication and education

As councils race ahead towards digital enablement across services, they must empower citizens with the skill set required to access digital services seamlessly. One participant mentioned the importance of building the knowledge base first before communicating in language that might be too technical for the audience. With education in place, communication around the purpose for data collection and the benefit to residents can help rebuild public trust.

Participants emphasised the importance of revisiting and reshaping previous messages. When trust has been compromised, it's natural for residents, team members and partners to remain cautious. Acknowledging past concerns and re-engaging in open dialogue can serve as

a clear signal that progress has been made, laying the groundwork for rebuilding confidence.

Customer journey mapping

One way to address data silos is through the concept of customer journeys. When the organisation has a mutual understanding of how a resident accesses diverse services, it can create the right connection between data sets where it matters most.

A participant gave the example of the connection between social care and social housing data sets.

"Frontline social workers access patient records through a bespoke system and housing services a separate system to capture other data sets from a distinct perspective. Both social care and housing services may be dealing with the same residents. By mapping the resident's journey across housing and social care, for instance, we can connect only the relevant data sets while maintaining the security of sensitive data."

Where to begin

There is so much more councils could be doing with data gathered. It is common to be overwhelmed by data and many councils do not know where to begin. The question is: how mature are the capabilities that support data use? A structured review of data maturity offers a practical starting point. Civica provides a range of data consultancy services to help authorities identify gaps, prioritise investments and embed good data practices across teams.

Conclusion

This roundtable reinforced the message that data is no longer just a technical or compliance issue – it is central to achieving better, fairer and more efficient services.

Unlocking data value demands courageous leadership, clear, trusted governance frameworks, and better internal and external communication about how and why data is used.

Participants called for a shift in mindset from seeing data as a transactional by-product of service delivery to recognising it as a strategic asset that can drive decisions, savings and outcomes.