



# SCAFFOLD, DON'T REPLICATE: A SHARED APPROACH TO DIGITAL GOVERNMENT SERVICES DELIVERY

EXECUTIVE SUMMARY | VOL.22 | WESTERN AUSTRALIA



Curtin University

## IN BRIEF

On 8 May 2025, the Future Government Institute Research Council convened a senior-level roundtable in Western Australia to explore the implementation challenges and opportunities of the GX5 framework. GX5—comprising digital identity, workforce agility, digital front door, digital health records, and digital licensing—is designed as a national scaffolding for digital transformation across the Australian public sector.

This WA-based session shifted focus from vision-setting to implementation—particularly what it takes to operationalise digital change at state level in a context marked by fragmented systems, legacy infrastructure, and workforce constraints. Participants from diverse agencies and institutions surfaced converging challenges: the persistent tension between compliance and innovation, under-scoped resourcing, low digital trust among priority communities, and structural disincentives to cross-agency collaboration.

Despite these constraints, the roundtable highlighted actionable opportunities. These include embedding experimentation time into BAU workflows, leveraging research partnerships to close capability gaps, applying sandboxed governance models for low-risk innovation, and scaffolding transformation across jurisdictions rather than duplicating efforts.

Notably, participants called for greater strategic investment in shared digital platforms, improved demand-driven collaboration models with universities and industry, and a clear articulation of value—beyond cost-savings—to elevate digital projects in the eyes of Treasury and leadership.

By **Patrick Joy** | Head of Research & Analysis | [Public Sector Network](#)



# KEY THEMES AND INSIGHTS

## THE COMPLIANCE-CREATIVITY PARADOX

Participants repeatedly returned to the cultural inertia that pits innovation against risk-aversion. The challenge is not simply technical—it is institutional. Agencies operate under tightly governed compliance expectations with little room for experimental design or failure.

“Everyone talks about innovation, but the moment there’s a short-term productivity loss, the instinct is to revert to compliance-first behaviour.”

This dynamic is exacerbated by resource scarcity and poorly scoped initiatives. One agency cited launching an AI pilot with no dedicated systems administration support, resulting in unsustainable delivery cycles. Another highlighted the difficulty of scaling locally developed tools without formal support.

A proposed solution was to build in time and buffers for experimentation within BAU, allocating 10% of tech team cycles to innovation, with oversight and alignment to exec priorities. Guardrails such as sandbox environments were also seen as crucial for safe experimentation.

## SCALING INNOVATION REQUIRES INTEGRATED RESOURCING

While pilot initiatives are often approved, their long term transition into enterprise systems is stymied by short-term contracts, evaporating funding, or lack of technical continuity.

One agency described building a digital workflow system reliant on temporary funding; once expired, scale-up efforts stalled. Another described how frontline business users were building localised tools without central coordination— elevating key-person risk.

## TRUST AS A PRECONDITION TO TRANSFORMATION

Digital trust emerged as both a foundational risk and a thematic pivot point. In discussing digital identity (a GX5 pillar), participants noted low baseline trust in government-held data, especially among First Nations communities and populations with historical marginalisation.

“There’s an assumption that citizens trust us to handle their data well. That assumption is not supported by our experience.”

Although federal data privacy reforms are underway, participants called for explicit, proactive trust-building efforts, including transparency, explainability, and community co-design. They also flagged that transformation must not begin with assumptions of readiness; pilot efforts should prioritise inclusive, lower-risk user segments and be demonstrably beneficial.

## COLLABORATION MODELS MUST BE PURPOSE-BUILT AND SCALABLE

The roundtable highlighted a lack of formal mechanisms to translate university, industry, or inter-agency capabilities into durable, scalable collaborations.

Notable exceptions exist: the state’s environment-focused joint venture model, involving several universities and public sector organisations, was cited as a replicable format. Participants urged investment in corridor-style collaborations—environments where domain experts, operational leaders, and researchers work shoulder-to-shoulder.

There was also a call for greater awareness of existing university-government innovation programs, including those at Curtin and other local institutions.

## CHALLENGES AND BARRIERS

### FRAGMENTED CAPABILITY AND WORKFORCE GAPS

The most consistently cited barrier was workforce resourcing—where the inability to offer market-aligned salaries or agile hiring timelines undermines projects before they start.

Even where digital pilots succeed, scale-up is hindered by skill bottlenecks. Agencies described managing hundreds of end users across multiple systems with skeletal technical teams. This leads to burnout, system fragility, and growing reliance on unsanctioned tools.

### STRATEGIC MISALIGNMENT BETWEEN VISION AND EXECUTION

Although digital transformation is often referenced in high-level rhetoric, participants questioned buy-in at the highest levels—cabinet, Treasury, and central agencies. This perception of tepid support translates to under-resourcing, slow approvals, and lack of alignment between whole-of-government and agency agendas.

Moreover, project business cases were often seen as lacking a value narrative that resonates with government funders—such as measurable public value, citizen impact, or cost avoidance.

### LIMITED KNOWLEDGE TRANSFER AND DUPLICATION OF EFFORT

Participants acknowledged that promising innovations frequently emerge in isolation, without systematic knowledge-sharing across departments or jurisdictions. This leads to multiple agencies tackling identical challenges independently, missing opportunities for collaboration or reuse. Even where intent to collaborate exists, rigid procurement policies and IP concerns often stifle multi-party projects.

## FUTURE FOCUS AREAS

### SYSTEMIC COLLABORATION INFRASTRUCTURE

Participants called for the establishment of formal collaboration mechanisms that go beyond ad hoc partnerships or time-limited taskforces:

- A central innovation clearinghouse to map existing digital initiatives and deduplicate.
- A standing university–agency innovation lab with shared staff, data access protocols, and problem-based work programs
- Frameworks for scaffolded innovation across jurisdictions, rather than competing efforts.

### DIGITAL TRUST AND COMMUNITY-CENTRED DESIGN

Digital identity and licensing initiatives must start with clear articulation of why, framed around citizen benefit—not internal efficiency:

- Co-design digital identity pilots with marginalised communities
- Transparently communicate data handling, storage, and accountability standards
- Incorporate community representatives into governance models

### MEASUREMENT OF PUBLIC VALUE

Agencies need support in developing evidence-based transformation cases that quantify benefits beyond cost-savings, including:

- Time recovered by citizens through digital
- Improved health or justice outcomes via data-enabled decision-making
- Workforce retention linked to modern digital tools and workflows

This could involve partnerships with universities to design longitudinal studies and impact measurement frameworks.

# INNOVATIVE IDEAS AND CASE STUDIES

## 1. EMBEDDING EXPERIMENTATION INTO BAU

One agency introduced a structured innovation allocation: reserving 10% of each sprint cycle for exploratory projects by its tech team. This innovation buffer fosters retention, encourages learning, and surfaces scalable solutions from those closest to operational pain points. Crucially, these teams report regularly to executives, ensuring alignment and support.

“We don’t build innovation teams—we build innovation time into operational teams.”

## 2. SANDBOX GOVERNANCE FOR CITIZEN DEVELOPERS

To address the proliferation of unsupported low-code tools, one participant’s agency is developing guardrails for citizen development. This includes:

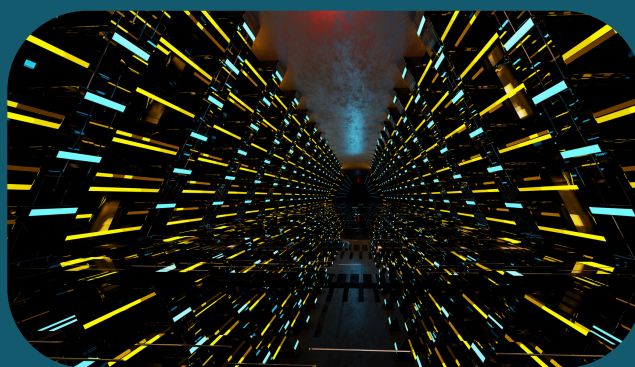
- A sanctioned sandbox environment
- Guidelines for data access and information security
- Transition pathways to enterprise support if tools demonstrate value

Such “handrails” offer the flexibility of decentralised innovation while mitigating risks.

## 3. JOINT RESEARCH MODELS IN ENVIRONMENTAL SERVICES

WA was noted for its joint venture model in the environmental sector, bringing together government departments, universities, and research bodies to address shared challenges. Unlike grant-based models, this structure involves shared governance and sustained investment, producing enduring capability uplift and stronger research–operations alignment.

“We stopped asking for proposals and started co-designing solutions.”



# STRATEGIC OUTCOMES AND RECOMMENDATIONS

## IMMEDIATE ACTIONS

- **Innovation Time Allocation:** Encourage agencies to adopt a model where a defined percentage of technical team capacity is reserved for exploration and process improvement.
- **Initiate Capability Mapping:** Identify which digital functions (e.g. data analytics, AI governance, cyber security) are duplicating across agencies and which can be shared.
- **Strengthen University Linkages:** Formalise entry points for university collaboration (e.g. internships, short-term secondments, PhD engagement).

## MEDIUM-TERM GOALS

- **Establish a Cross-Jurisdictional Scaffolding Model:** Collaborate with other states to build on existing digital service platforms, particularly in areas like digital licensing or digital identity, rather than starting from scratch.
- **Develop Standardised Innovation Guardrails:** Provide departments with common frameworks for safe experimentation and scaling of citizen-developed tools.
- **Embed Outcome Measurement in Business Cases:** Support agencies in defining and collecting baseline metrics—such as time savings or public value indicators—to accompany funding submissions.

## LONG-TERM VISION

- **Create a Permanent Public Sector Innovation Centre:** A multi-agency, multi-institution hub where policy, operations, and research co-develop digital solutions. This could function similarly to WA's environment joint venture but focused on digital transformation.
- **Build Public Trust Infrastructure:** Establish whole-of-government trust commitments including privacy-by-design standards, data explainability frameworks, and community oversight mechanisms.
- **Advance Whole-of-Government Digital Maturity:** Adopt a national or interjurisdictional roadmap for GX5, recognising that WA need not lead on all fronts but can strategically scaffold on successes in other states.

# ABOUT THE FUTURE GOVERNMENT INSTITUTE (FGI) RESEARCH COUNCIL

We've been able to engineer a new program antithetical to the classical red tape, administration, and risk-aversion that impedes innovation.

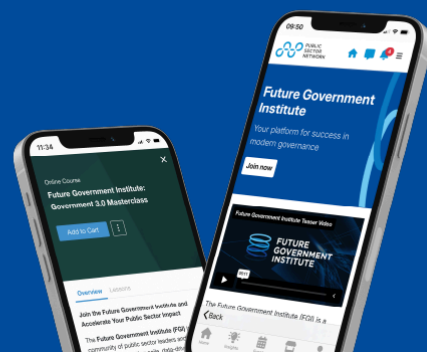
Public Sector Network has recently launched The Future Government Institute (FGI), a global hub for forward-thinking public sector leaders, innovators, and practitioners dedicated to shaping the next era of governance.

Our mission is to empower government professionals with the tools, insights, and networks needed to drive meaningful transformation - <https://publicsectornetwork.com/future-government-institute/>

Leveraging our extensive connections, we are uniting the sharpest minds from government, academia, and industry via monthly research-driven roundtables, hosted at esteemed national centres of research, courtesy of university partners across Australia and New Zealand.



Welcome to  
**Future Government Institute**  
Your platform for success in  
modern governance



## ABOUT PUBLIC SECTOR NETWORK

Public Sector Network is a research company that represents public sector professionals across Australia, Canada, New Zealand, and the USA. It develops roundtables, seminars, and conferences to suit current areas of interest to government agencies and their suppliers.

PSN's growing community spans across federal, state, and local government departments, healthcare, and education, allowing members to share information, access the latest in government innovation, and engage with other like-minded individuals on a secure and closed-door network.

### AUSTRALIA / NEW ZEALAND

P +61 2 9057 9070

E [INFO@PUBLICSECTORNETWORK.COM.AU](mailto:INFO@PUBLICSECTORNETWORK.COM.AU)

### USA

P +1 (647) 969 4509

E [HELLO@PUBLICSECTORNETWORK.COM](mailto:HELLO@PUBLICSECTORNETWORK.COM)

### CANADA

P +1 (647) 459 8904

E [CONTACT@PUBLICSECTORNETWORK.CO](mailto:CONTACT@PUBLICSECTORNETWORK.CO)

### Public Sector Network (Australia) Pty Ltd

ABN - 46 617 870 872 20-40

Meagher Street, Chippendale, Sydney NSW  
2008, Australia



Curtin University