

Submission to the Advisory Group on Reform of Australian Government Administration

**Queensland Public Service Commission on
behalf of the Queensland Government**

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1. Introduction

The Queensland Public Service (QPS) is the largest single employer in Queensland, employing over 230,000 people with almost two-thirds working in the area of education and health. Importantly, the QPS is a service oriented organisation with almost 80 per cent of staff working in frontline services, and a further 15 per cent in roles that directly support frontline services.

The Queensland Government is responsible for the delivery of the majority of public services in Queensland. This includes responsibility for the most significant services such as healthcare, education and training, child safety, policing and many forms of public transport.

The Australian Government has a significant role in the provision of funding to states and territories for service delivery, and developing policy, priorities and reform directions. However, this is undertaken within the framework of the Australian Federation and the Council of Australian Governments' (COAG), which has been driving a new era of cooperative federalism to achieve improvements in service delivery to the Australian community. Importantly, it should be noted that it is COAG's wish that the Commonwealth and states work cooperatively to provide a broad range of essential services such as health, education and law & order.

2. Response to Discussion Paper Questions

Chapter 1 The Australian Government sector today

1 Do you think Chapter 1 accurately captures the role of the APS?

2 What are the implications of the statistical snapshot, and of employee views and attitudes in Chapter 1 for the future of the APS?

Chapter 1 of the discussion paper provides useful and interesting data on the Australian Public Service (APS) and shows that the service has a number of key issues in regards to workforce matters. These issues however are not unique to the APS but rather shared by many other public services within Australia. These include the ageing workforce, skill shortages and developing and retaining a diverse workforce that is representative of the clients and communities it serves.

The QPS also has an ageing workforce, with over 48 per cent of the workforce aged 45 years or more as of June 2009. The QPS has skill shortages in a number of areas, a number of which have remained despite the global economic downturn. Several factors have ameliorated skill shortages in the short to medium term such as contraction of growth and vacancy rates in corporate support and business administration areas in response to Queensland public sector efficiency targets. In addition, with the financial crisis impacting on the economy and employment, separations and resultant vacancies have decreased as public servants have delayed retirement or changing jobs.

At the same time, the Queensland Government's strong and ambitious 'jobs, jobs, jobs' commitment and reform of the QPS are creating job growth in 'frontline' service delivery roles. Job growth will continue in the QPS in order to meet the demand for services associated with population growth and an ageing population.

The ageing workforce, job growth and skill shortages present significant challenges that the QPS is tackling with revised attraction and retention strategies, knowledge management and transition to retirement initiatives. The QPS is investing further effort in the sustainable implementation of flexible working arrangements to ensure that we continue to attract and retain the workforce that we need for the Queensland of tomorrow. The QPS continues to examine and develop new approaches to attract and retain a skilled workforce, with agencies having specific graduate programs to assist in building their workforce. The Public Service Commission (PSC) also coordinates a 12 month whole-of-government graduate program which aims to build public policy capability and attract graduates to the Queensland public sector. The QPS is currently exploring a whole of sector capability development strategy to articulate and promote career entry points and rich and diverse career path opportunities within government.

There are also strategies in place in Queensland to improve recruitment and retention, particularly for groups under-represented within the QPS such as Aboriginal and/or Torres Strait Islander people. The Queensland Government has set clear numerical targets to provide employment opportunities for Indigenous Queenslanders in the public sector over the next five years. Further, an Indigenous Public Sector Employment - Strategic Leadership Committee has been established to provide strategic governance for Indigenous employment. This is supported by a working group to work at the local level to implement local strategies.

Statistical data on the workforce and information on employee views and attitudes are important for planning purposes. Strong workforce planning processes will assist the public sector to identify issues and address the implications for the future. The need for Queensland Government agencies to further develop skills and improve workforce planning has been identified and a number of development opportunities have occurred recently.

A workforce planning summit was held for Queensland Government agencies to provide an opportunity for agencies to acquire contemporary skills, knowledge and share best practice approaches. This summit brought together senior officers from most government agencies and resulted in the development of a community of practice, which has been established to work at a whole-of-government level on workforce planning issues and areas of interest. It is anticipated that this whole-of-government approach will further enhance skills across the sector and improve workforce planning processes.

Chapter 2 Challenges in the strategic environment

3 What are the most important challenges facing the public sector over the next ten years?

4 What are the key implications for how the public sector will need to operate?

As the discussion paper highlights, the delivery of public services in Australia and across the world is being undertaken within an increasingly challenging environment. These challenges include adapting to globalisation a more mobile workforce, and demographic changes such as the ageing population. It is likely that there will be a reducing proportion of the Australian population in the workforce in the future which will lead to reduced funding for government service delivery but increased demand. This will require even greater efficiencies and effectiveness from public services.

Rapid technological changes will present some challenges and require ongoing adaptation. However, these changes will also allow for a more efficient and effective delivery of services if targeted correctly, and importantly has potential to improve service delivery in rural and remote areas. These challenges will also require an improvement in coordination and data sharing, which will need to be balanced against community concerns about privacy.

Other key challenges will include environmental changes and responding to the threat of climate change, socio-economic change and the increasing challenge of maintaining and building social inclusion. This will require harmonisation of policy, legislative and regulatory responses across jurisdictions which will call for greater coordination between all tiers of government and better consultation processes with all stakeholders.

Chapter 3 An aspiration for Australia's public service

5 What do you think is an appropriate aspiration for the APS?

6 Do the five key characteristics outlined in Chapter 4 adequately encapsulate what you would expect from a high performing public service?

The discussion paper identifies that a high performing organisation has a clear vision for the future and a strategy for how this will be achieved. The aspiration of the APS proposed in the paper is visionary but may not inspire those within the public service as the 'best in the world' is difficult to

grasp, attain and measure. The remainder of the aspiration is more connected to the five characteristics of a high performing service and may be more relevant to APS officers.

The five key characteristics identified in the paper do appear to encapsulate what would be expected from a high performing public service. It is possible that a sixth characteristic could be included to fully indicate the real partnership approach that is needed for public administration success: 'facilitating mutual responsibility between government, business, non-government, community, family and individual stakeholders'.

Reforms undertaken in Queensland, which are discussed in detail later, are consistent with the principles and other characteristics identified within the discussion paper, including the five characteristics for achieving a high performing public service. In particular, reforms which have been undertaken by the Queensland Government have sought to position the QPS to address future policy challenges and create a modern, high performing public service. A key reform has been the Machinery of Government reforms which were guided by clear principles of:

- improved service delivery
- efficient and cost-effectiveness
- durable structures
- adaptable – responsive to changing needs and aspirations, and
- enhanced accountability.

While the reforms undertaken in Queensland provide a solid basis for building a high performing public service, reform will need to be ongoing. In order to maintain the performance and achieve high quality public service delivery other key areas are being developed. These include:

- building leadership and a motivated and skilled workforce
- ensuring collaboration and public engagement is at the forefront of policy development, and
- continuing to increase accountability and transparency.

More recently work has been undertaken to develop guiding principles to assist Queensland Government agencies when developing policy and designing programs to deliver quality services to Queensland citizens. The key focus area of the principles are:

- alignment to strategic priorities
- citizen-centric
- simple and accessible
- integrated, measured and sustainable
- strong partnerships, and
- adaptable regional and rural services.

The full principles are provided in Appendix 1.

Chapter 4 A values driven culture that retains public trust

- 7 Should the APS values be streamlined? What values do you consider should be included in a revised set of APS values?**
- 8 How do we ensure that APS leaders fulfil their responsibilities to promote and uphold the values?**
- 9 Do you think the APS engages appropriately and actively with government on an apolitical basis?**
- 10 Are further reforms needed to clarify the roles and responsibilities of the APS when dealing with ministerial offices?**

The inclusion of values in the *Public Service Act 1999* provides a strong basis for the APS to drive important values and culture within the public service. Clearly while having values in the Act is not enough on its own to ensure these practices are embedded, having them articulated and reported on annually in the State of the Service report provides a solid starting point. However, it is important that the values permeate the entire organisation and that employees passionately believe in them. This is more easily achieved if there are only a small number of values which concisely reflect the perspective of customers, stakeholders, employees and the community.

The Queensland Government has implemented a number of strategies to develop leadership within the QPS and embed core principles and practices, including accountability and continuous improvement. These are outlined in detail below.

Leadership in the public sector

The discussion paper identifies that the values of the public service need to be accepted, embraced and upheld by a unified leadership group. The Queensland Government has recognised that there needs to be both formal and informal mechanisms to assist leaders within the QPS to fulfil their responsibilities and has developed a number of initiatives. The Chief Executive Performance Management and Development Framework aims to ensure that the Chief Executive Service is well positioned to deliver quality services and outcomes to sustain a culture of accountability for performance and continuous improvement. It focuses on four broad elements of: whole-of-government objects; other departmental priorities; department governance and management, and executive leadership capabilities. Central to the operation of the framework is the annual Chief Executive Performance Agreement and Chief Executive Performance Review. The agreement establishes targets and objectives and a review process informs decisions made by the Premier in relation to pay progression, contract extension and renewal.

There is also a Senior Executive Service (SES) Performance Management and Development Framework, designed to assist SES officers in managing their capability and performance and implementing performance management across the sector. This is also supported by agreement and review processes.

The PSC also leads a number of other initiatives to support SES officers in meeting their leadership responsibilities. A whole-of-government induction program is designed to provide information on:

- key elements of the broader public service environment in which an executive leader needs to work to ensure successful performance, including current whole-of-government initiatives
- the government's expectations of the work performance and professional development of SES officers, and
- legislative frameworks and other accountability imperatives for an SES officer.

By taking a whole-of-government approach to induction of new SES officers from across agencies, the program fosters productive networking opportunities with an emphasis on collaborative effort to integrate senior executive leadership capability, policy development, futures planning, resource deployment and service delivery activities across the public service.

More recently the PSC has developed the Inspiring Leadership series. The first program in the series is to assist SES officers in taking on the challenges of the role. The program focuses on inspirational, innovation, government and strategic leadership.

Aside from developing leaders to ensure consistent leadership behaviour across the public service, it is also important to work with staff and increase the focus on staff engagement in the development and implementation of values. Recent use of strong staff engagement processes in a significant change pilot project undertaken within a Queensland agency, demonstrated that with committed, consistent and strong leadership and effective staff engagement, significant cultural change, with shared values and practices can be achieved. Greater use and involvement of staff in effectively embedding public sector values would be a useful approach.

Right to Information reforms

The discussion paper also examines the issue of building accountability and trust in the public sector. Importantly, the paper notes that key reforms in this area have been around freedom of information reforms and privacy frameworks. The Queensland Government has led Australia in the provision of greater access to information through the new right to information legislation. This radical shift in legislation was informed by a review of the *Freedom of Information Act 1992* undertaken by an independent panel chaired by Dr David Solomon. This resulted in a recommendation that the legislation should 'push' information out into the public domain rather than waiting for individuals or organisations to try to 'pull' information from government and other organisations.

The *Right to Information Act 2009* which replaced Freedom of Information laws and the *Information Privacy Act 2009* which provides new safeguards for the way the public sector handles an individual's personal information, came into force on 1 July 2009.

An important shift for releasing information has been the reduction of the waiting time for the release of cabinet documents from 30 years to 20 years – the lowest in Australia. The Queensland Government has also pledged to release cabinet documents after only ten years, if they satisfy a public interest test. Cabinet information is also released proactively on a regular basis through the government website.

The right to information reforms create a more open and accountable government and directly contribute to the government's overall program of modernisation of the QPS. Importantly, these reforms ensure a better informed community which will result in enhanced participation and a greater focus on the needs of citizens in the design and delivery of public services.

Integrity and accountability

Further reform work is also now underway in Queensland around integrity and accountability. On 6 August 2009, the Queensland Premier released the *Integrity and Accountability in Queensland* green paper. This provided an overview of the state's current integrity and accountability system and how it compares with other jurisdictions, and sought input from all Queenslanders to help identify and shape potential reforms and all public submissions will be considered as part of the review process.

Following a significant consultative process, the Queensland Government has now released the *Response to Integrity and Accountability in Queensland* which sets out the government's agenda for integrity and accountability reforms. The reforms span across the full range of public office holders from Cabinet Ministers to Members of Parliament, ministerial staff, public servants and statutory office holders and will require both legislative and administrative reform. A number of these reforms will occur immediately, with others considered and implemented during 2010.

The reforms are guided by four key principles, with each principle having a range of actions including:

1. Strong rules

- ban payment of success fees to lobbyists for achieving favourable outcomes from government
- create a legislative framework for the regulation of the lobbying industry
- introduce legislation which will govern ministerial staff and electorate officer employment and disciplinary processes
- adopt a single code of conduct to be applied across the public sector
- introduce new measures to require newly appointed public service officers and ministerial staff to disclose whether they have worked as lobbyists in the past two years
- create a statutory obligation on Members of Parliament to declare their pecuniary interests
- require all statutory office holders to declare their pecuniary interests
- extend the application of the State Procurement Policy to ensure it applies to all statutory bodies, Government Owned Corporations (GOCs) and special purpose vehicles where appropriate, and
- ensure consistent thresholds and requirements for declarations of gifts.

2. Strong culture

- reform the *Whistleblowers Protection Act 1994*
- establish an Ethical Standards Branch within the PSC
- enhance the role of the Public Sector Ethics Network
- introduce mandatory annual training in ethical decision-making
- introduce legislation to allow government departments to issue apologies without the communications being taken as admission of legal liability, and
- encourage unions to develop codes of conduct.

3. Strong scrutiny

- expand and enhance the role of the Integrity Commissioner
- review the role of parliamentary committees in providing oversight of the legislative process
- hold a regular People's Question Time
- publish the pecuniary interests of Members of Parliament and Ministerial and departmental gift registers online
- annually report on the government's responses to recommendations made by the Crime and Misconduct Committee (CMC)
- reform the State Procurement Policy
- ensure publication of contracts over \$10 million
- mandate independent oversight of procurement processes, and
- overhaul political donations and campaign funding if the Commonwealth does not act by July 2010.

4. Strong enforcement

- make a formal referral to the CMC requesting that the CMC conduct an independent review of the current processes for the management of police discipline and misconduct matters
- expand the jurisdiction of the CMC to cover GOCs, and
- strengthen the role of the PSC – in consistency and timeliness of disciplinary actions.

These reforms confirm the Queensland Government's expectation of the highest standards of integrity and accountability from everyone in public office. The document and further detail on the principles and associated actions are available at: <http://www.premiers.qld.gov.au/community-issues/open-transparent-gov/integrity-and-accountability-review.aspx>.

Chapter 5 High quality, forward looking and creative policy advice

- 11 How can internal and external collaboration be strengthened to improve policy development and implementation?**
- 12 What should be done to continuously improve the capability of the APS workforce in policy formulation and implementation?**
- 13 What can be done to bring the workforce development approach to the APS up to the level of the best organisations globally?**
- 14 How do you think a stronger culture of innovation can be fostered?**
- 15 What approaches to engaging with risk are most appropriate for the APS to provide high quality, forward looking and creative policy advice?**
- 16 How can agency performance management processes be amended to maximise the focus on the attainment of outcomes?**

The discussion paper correctly highlights that policy advice to the government of the day is one of the most important functions of the public service. In order to provide robust, accurate, responsive and practical policy advice the structure, skills and culture of the public service must be continually examined to ensure it is best positioned to deliver on this. The concepts within the discussion paper are a useful starting point in further developing policy advice within the APS. Further information on recent reforms of the public service by the Queensland Government is provided to inform this issue, as well as other key areas identified as critical to improving policy advice of the APS.

Machinery of Government reforms

The discussion paper identifies that a focus of the APS reform will be to examine internal structures to ensure these are the most appropriate to provide the best policy advice. The Queensland Government has recently reformed the structure of the QPS to better position it to deliver higher quality public services now and into the future. In March 2009 the Queensland Premier announced one of the most significant reforms in almost two decades for the delivery of public services, by reducing the number of government departments from 23 to 13. The Machinery of Government reforms aim to deliver efficiencies and advantages in a number of ways.

The reduction in departments provides for simpler, more client-focussed services. For example, the new Department of Communities combines six previously separate agencies¹ which supports citizens direct access to information and a broader range and level of services to address their needs. It also ensures more integrated policy development, planning and service delivery and will deliver financial benefits. Merging departments provides an opportunity to reduce duplication and rationalise support services, diverting funds into front-line services.

Not only has there been a streamlining of departments, but there has also been a grouping of departments into 'clusters' of compatible business. The six clusters reflect the government's priorities of: policy and fiscal coordination; employment and economic development; environment and sustainable resource management; social development; law, justice and safety; and

¹ The Department of Communities includes services provided previously by the Department of Communities; Department of Child Safety; Disability Services Queensland; Department of Housing; the Indigenous Government Coordination Office; Sport and Recreation Queensland.

government services. An example is the social development cluster which includes the Departments of Communities, Education and Training, and Health in recognition of the connection between social welfare, health and educational issues. The new government departments and the cluster arrangements are provided in Appendix 2.

The Machinery of Government reforms will provide for more durable structures and support more collaboration between departments with a reduced number of chief executives which creates a tighter leadership team, provides cohesive, whole-of-government strategic direction and collectively tackles public policy challenges. This also results in better policy coordination.

A longer term benefit of the reforms will be a more agile, flexible and responsive public service, better equipped to deliver complex services and meet the changing demands of modern communities.

Cross-government collaboration

Particularly welcome is the suggestion in the discussion paper of the need for 'more collaborative approaches within the APS' and 'scope for better coordination in the development of cross-jurisdictional policy'. Creating high quality creative policy advice which is integrated with service delivery will require governments at all levels throughout Australia to coordinate policy and service delivery to ensure the most efficient and effective services are provided to citizens.

While there has been progress and improvement in collaboration between governments through COAG, this remains a key challenge into the future and without effective inter-jurisdictional collaboration it will be difficult to address many of the challenges ahead.

First Ministers, by signing the *Intergovernmental Agreement on Federal Financial Relations* (IGA) in November 2008, ushered in a new period of cooperative federalism in Australia. Commonwealth-State relations have altered with a new emphasis on cooperation, respect for states' primacy in key policy areas, and a shift away from agreements that prescribed inputs to a new focus on the achievement of outcomes.

However, while Commonwealth and State central agencies are working well together under the new paradigm this is not always the case with Commonwealth line agencies. An example that highlights some of these issues is the negotiation of various National Agreements and National Partnerships (NP) and their subsequent state-based implementation plans. Commonwealth line agencies adopted negotiating positions around reporting frameworks that were contrary to the positions agreed to by the Commonwealth central agencies and various national senior officials' groups. This lack of coordinated approach across the Australian Government had the effect of delaying negotiations and creating additional workload for all governments involved in the process.

Further, a number of reporting processes have become inefficient. An example is the negotiation, establishment and implementation of two health related NPs: the NP on the Elective Surgery Waiting List Reduction Plan; and the NP on Hospital and Health Workforce Reform (Schedule D – Taking Pressure off Public Hospitals). Both of these agreements require reporting of patient-level data, as well as key performance indicators and progress reports. Participation on working groups for these NPs is facilitated by the Department of Health and Ageing (DoHA). However, the data and reporting processes are burdensome and unclear. There are multiple committees involved in different levels of the NP who are required to be briefed. Templates for briefs and reports are often provided at a late stage and, together with unclear requirements and lengthy documents, results in short time frames to complete the work. It would be helpful for DoHA to provide clear and concise documentation in a timely manner, and review the need for multiple sub-committees.

It would also be of benefit for the APS to develop a more cohesive whole-of-government ethos and collaborative processes. It is envisaged that this would improve the APS's ability to deliver clear messages and positions on key matters of policy. As an example, it has been Queensland's experience in relation to water dealings that there is a need for the APS to establish clear policy directions both:

- internally within APS agencies: for example; within Commonwealth Department of Water, Heritage and the Arts on matters with regard to the Murray Darling Basin, and
- across APS agencies: for example; between the Commonwealth Department of Water, Heritage and the Arts and the Commonwealth Treasury on matters with regard to the establishment of NPs.

Recognising the complexity of the policy matters under consideration, it is desirable that the APS improve collaboration with jurisdictions in order to effectively deliver on Commonwealth Government programs, for example, the Great Artesian Basin Sustainability Initiative.

Making the necessary cultural changes within Commonwealth line departments would better place them to work in partnership to address the policies and concerns of state governments. Without this more flexible approach it is likely to result in a 'one size fits all' to policy development that can result in the employment of policy strategies that are sub-optimal for individual states. This in turn can limit states' ability to be flexible and address unique policy challenges. However, it is important to acknowledge that there have been examples where there has been good engagement with state agencies to achieve joint outcomes. These include the Joint Working Group on Indigenous Land Settlements and the Native Title Consultative Forum, both chaired by the Commonwealth and of which states and territories are members. These forums have been very useful in bringing together relevant officers on native title matters and in developing strong relationships to address complex issues.

Further reform within the APS is also required in order to ensure that agencies are ready and equipped to move away from the prescription of inputs, the approach of penalising states, and use of past styles of managing closely the state implementation of projects and programs. Full movement away from these approaches and associated burdensome reporting requirements will allow for the further development of a partnership and allow for the best use of state resources in the delivery of services.

Future reform of the APS must recognise both the existence and the importance of the Australian federation, the new IGA, and the need for agencies to work cooperatively and constructively with states and territories to deliver services effectively and efficiently to the Australian community. This is essential given the vast amount of work now being conducted between all governments and across all policy spheres. Reflecting this intent, the suggestion that the APS charter of policy making include a statement along these lines is supported, though it is acknowledged that this is a small step in effecting the required cultural change.

Continuous improvement

In order to achieve excellence in policy, workforce development needs to use a continuous improvement approach, providing ongoing opportunities to equip policy officers with the diverse range of skills necessary to provide high level policy responses to complex issues. The use of graduate programs targeted at policy officers can assist the public sector to build this skill, however also examining new ways to attract skilled people external to the public sector, or providing opportunities for 'cross fertilisation' across departments is important. Incentives to attract the best and brightest, for example secondments into the private sector or non-government organisations could bring new skills into the APS.

As part of any continuous improvement program it will be important for the APS to build reward and recognition systems that genuinely articulate and reflect excellence of performance in areas of greatest importance to government. This is a significant challenge for most public services and an area where jurisdictions could learn from each other when such systems have been identified as best practice examples that truly acknowledge performance excellence. Further, performance will need to link with development management and ensure that core capabilities and behaviours are continually being upgraded to meet the changing demands of government

There may also be an opportunity for the APS to forge a career management and development infrastructure unique to government that allows employees to map career and development options

whilst focussing on government priorities. This infrastructure needs to integrate and incorporate learning and development options for public servants ranging from public sector training package options up to the Australian and New Zealand School of Government (ANZSOG) offerings.

Establishing close relationships with academia to support evidence based policy is essential to achieve high quality policy and new approaches such as think tanks and establishing research 'communities' where ideas are shared are other possible strategies. An extension of this latter approach has been implemented by a number of overseas jurisdictions who have established development centres for leadership, capability development & policy development. The ANZSOG model could be expanded to encompass 'creativity centres' where strategic policy issues are worked on by high-performing staff from across the public sector.

The proposed 'strategic policy hubs' identified in the discussion paper are a powerful concept and are endorsed as a means of both fast tracking work on cross-cutting areas of policy and developing the capabilities of the individuals involved. These hubs should operate in a range of locations in order to facilitate the involvement of the state and local government, academic, private and non-government sectors.

It is also possible to expand this concept of 'strategic policy hubs' to incorporate information and knowledge sharing networks across all jurisdictions to broaden the learning base of government. Importantly, in times of economic uncertainty it is essential to continue to invest in research, evaluation and analysis of best practice at both national and international levels to ensure policy formulation is robust and innovative.

While these approaches will assist the APS to move towards a high performing, less reactive public service, it is crucial in any strategic change that there is clear leadership from the Executive Government.

Engaging with risk

Engaging with risk is as much a cultural consideration for the public service as it is process based. It should be part of everyday management activities and integrated with business planning and reporting practices.

The challenge for the public sector is to develop a culture that seeks to identify, assess and mitigate risks in ways that help deliver agreed policy outcomes and provide input to future policy decisions.

When engaging with risk, it is important that agencies (individually and as a collective) have a shared understanding of government's appetite for risk. An agreed understanding will help:

- refine public sector accountability and performance management frameworks so that they better accommodate acceptable risks
- inform the decisions of agencies and individuals in relation to risk, and
- drive change in organisational culture that shapes attitudes to risk taking.

A holistic approach to risk helps ensure a more consistent approach to risk management across government. A whole-of-government approach is especially important given the increasing level of collaboration required across agencies and with partners on policy and service delivery matters.

Queensland has taken a holistic approach to risk management, with structured processes in place to identify, assess, treat, monitor and review risks at an agency and whole-of-government level. This includes facilitated whole-of-government strategic risk assessments to understand risk and associated opportunities to inform policy and priorities. Agencies are required to apply the Australian Standard when managing risks, and the whole-of-government risk framework allows significant agency-specific, cross-agency and state-based risks to be identified and managed.

Performance management to attain outcomes

Strategic and business planning, needs to consider the external and industry environment in which agencies operate, focus up-front on customers and consumers including their 'wants and needs', what key services are required and who can collaboratively help them deliver these. Along with whole-of-government policy and priorities, this type of agency planning should inform the outcomes needing to be achieved. So rather than focusing on inputs or activities, the focus should be on describing the effects or impacts that an agency seeks to have on its key stakeholders. This also provides agencies with the flexibility to explore alternative service delivery strategies.

Maximising the focus on outcomes requires performance management processes to be aligned at the whole-of-government, agency and individual level, with both objectives and performance indicators at those three levels focussing on outcomes (rather than activities). Linking performance across the three levels helps maintain the focus on agreed priorities, and helps promote accountability for outcomes.

In September 2008 the government articulated a vision for the future in Queensland through *Toward Q2: Tomorrow's Queensland*. This blueprint sets out 10 specific targets under five broad ambitions – strong, green, smart, healthy and fair – to tackle challenges such as climate change, population growth, preventable diseases and entrenched disadvantage. These areas and the specific targets have been developed based on identified key priorities of some of our biggest challenges.

Toward Q2 targets are aspirational, and it will take hard work, innovation and sustained investment to make a difference. Achievement of the targets will focus government activity and is driven through the development of cross-agency agreements which detail the actions required over the next 11 years, and more specifically on an annual basis. These agreements are reflected in agency strategic plans, service delivery statements and annual reports, and chief executive officer performance agreements and ministerial charter letters.

To assist in the delivery of this vision, the Queensland Government has also established a Performance Management Framework (PMF) to drive the use of targets to improve performance in public services. While this framework supports the *Toward Q2* targets, it is designed to be enduring, regardless of potential changes in government priorities.

The PMF is designed to help agencies plan, manage and report on their performance, and make better use of performance information to drive service delivery and outcomes, and address risks.

Some of the ways the PMF is driving improved focus on outcomes is through:

- creating better alignment of planning information across planning and reporting documents
- driving improved accountability for results through cross-agency agreements (Target Delivery Plans) for each of the ten *Toward Q2* targets, and
- Chief Executive Performance Agreements, which align performance standards with agreed national, state and agency-based objectives.

The PMF is supported by the Financial and Performance Management Standard 2009 (which supports the *Financial Accountability Act 2009*). The Standard requires that each accountable officer and statutory body must comply with the PMF and have systems in place for deciding whether the agency is achieving its strategic objectives and delivering its planned services.

Queensland's whole-of-government approach, supported by legislation and standards, provides the foundation for an improved focus on achieving outcomes for the community. The holistic approach helps agencies work together towards agreed goals, and is critical in embedding accountability for results and building a culture of performance across government. The focus on improving the quality and use of performance supports more evidence-based decision making, which in turn maximises the focus on attaining outcomes.

A move towards outcome focused performance management also requires cultural change. Practices, processes and systems in managing agency performance are important but it is people

who can make the real difference in planning for outcomes and delivering services. Ensuring managers and other staff are supported in changing their own management behaviours is critical, requiring leadership and ongoing commitment to this change. There is an opportunity to ensure that there are stronger links embedded between Chief Executives performance agreements, and key performance indicators and programs and services being delivered. A strong evaluation framework could also be developed and implemented, driving program and service improvement.

Chapter 6 High quality, effective programs and services focused on the needs of citizens

- 17 How do we embed a citizen centred philosophy in all aspects of program and service design and delivery?**
- 18 How can we better bring together service design, delivery and policy formulation processes – within individual programs and across all of government?**
- 19 What options could be pursued to ensure citizens, especially those with higher needs, can access government information and services that they need?**
- 20 How can we ensure performance management frameworks focus on the attainment of outcomes for citizens?**

Increasingly citizens are seeking greater say in how programs and services are developed and delivered and the challenge for governments is how to involve citizens and, provide flexible and innovative services that meet the broad range of needs of its citizens. These programs and services must also be easily accessible, coordinated and of high quality.

When implementing programs in Queensland, for example aged care, the state's main contact is with the state office of DoHA. State office contacts are generally approachable and helpful, however they do not seem to have the authority to make relatively minor decisions seemingly always needing to defer to Canberra. This can affect the responsiveness and access to services for citizens. It would be useful for an assessment to be made of decision making delegations to ensure the decisions are made at the appropriate level in a timely manner.

Queensland has a number of mechanisms that have assisted in increasing citizen focus and ensuring performance frameworks are focussed on achieving outcomes for citizens. Current approaches are detailed below.

Citizen focused programs and services

Essential to achieving effective programs and services is engagement with citizens. Clearly there are a range of approaches, however technology and information sharing is a significant mechanism in leading engagement. Nevertheless it is also important to examine other ways to support engaging with citizens such as using citizens directly in redesigning services. The mature form of this approach is 'experience-based co-design' methodology where service redesign is directed almost entirely to improving citizens' experiences using actual citizens to inform the process throughout. The citizen voice also serves as a powerful way to break down artificial barriers put up by different agencies or areas. It is recognised that this level of engagement with citizens will contribute to design, delivery and policy cohesion.

Citizen centred philosophy is also assisted through establishing service charters with transparent public reporting of performance against indicators expressed in the charters, ensuring there are formal mechanisms which regularly obtain feedback and advice directly from service recipients and as identified in the discussion paper ensuring citizens can access government information and services including call centres, web portals, one-stop shops. External client feedback over the past few years (e.g. 2007 grants review and 2008 BITI review) has indicated that clients do not want to have to go to multiple departments or across jurisdictions to find out what is the most appropriate assistance for them (grant or otherwise).

Smart Service Queensland (SSQ) is the 'front door' of the Queensland Government for the public to access government information and services. Access can be through a general enquiries number (131304), the www.qld.gov.au website or walking into a multi-agency government service centre in Brisbane's central business district, or into a Queensland Government Agent Program (QGAP) counter situated in more than 70 rural and regional locations across the State. SSQ delivers over 200 services on behalf of all Queensland Government agencies. This number of services is set to grow significantly over the next few years based on a recent government commitment for SSQ to be the mandated provider of online and telephone government services (*Toward Q2 through ICT 2009-2014: The Queensland Government's strategy for government ICT*, <http://www.qgcio.qld.gov.au/qgcio/strategies/Pages/TowardQ2throughICT.aspx>).

Through the Queensland Government's *Toward Q2 through ICT 2009-2014* strategy, SSQ is responsible for delivering a single website/portal experience for the public using the franchise model by 2014. The franchise model is based on a citizen centred approach and requires a fundamental cultural shift in the way that agencies have delivered services in the past. The 2009 Queensland Government Machinery of Government changes provided a good starting point for more coordinated service delivery across agencies (from a government perspective), however, the franchise model will challenge this further through its citizen-centred approach. SSQ will also be reducing the number of advertised government phone numbers with the aim of rationalising them to less than 20 with 13QGOV utilised as the primary contact number for Queenslanders.

SSQ is also delivering a pilot of multi-agency counters (or one-stop-shops) across the State and will continue to further improve its QGAP counter network in rural and regional locations. SSQ already delivers some services on behalf of the Australian Government through its QGAP counter network and it has had some preliminary discussions with local councils about after-hours service delivery. SSQ has the service delivery infrastructure to deliver an integrated and multi-channel approach to government information and services across all levels of government. It collects a large amount of customer data through its service delivery channels and provides agencies with valuable customer feedback on service design and delivery. Improved systems to capture and readily report on this customer data are important to ensure ongoing improvements to service policy, design and delivery.

Citizen-centric service delivery approaches, better integration and improved business practices proposed in the Australian Government discussion paper are also consistent with the 'No Wrong Door' approach being developed for implementation in the Queensland Government Department of Communities.

The No Wrong Door Program will provide the direction for creating better pathways and improved access to services for clients of the department. Given the high proportion of vulnerable clients with multiple and complex needs, particularly those clients who need multiple services, the department is committed to a client-centred approach to service delivery that will provide an appropriate level of response or service. Through innovation of client services and clear direction setting, the experience for clients when accessing government services and for the NGO sector for referred or referring clients will be greatly improved.

The no wrong door approach will be achieved over time through:

- a client-centred consistent service delivery model
- minimising duplication of effort for clients and staff
- providing pathways for easier access
- providing an appropriate level of response or service
- proactive collaboration and effective partnerships with other agencies and the NGO sector, and
- enhanced and integrated information and communication technology to support business

In developing its service delivery model the department has been researching 'no wrong door' approaches in other jurisdictions, including Commonwealth agencies and internationally.

The department's service delivery model will be based on a continuum of need from the lowest level being information, advice and referral through to integrated case management.

Performance management – outcomes for citizens

Fundamentally, performance management frameworks should focus on the things that are important to an organisation's success. In the public sector, this means a strong focus on outcomes for the community and citizens is essential. Performance management objectives and indicators should reflect this citizen-centric focus.

Increasingly governments are focused on planning and delivering customer-centric services. This includes thinking about the wider social and economic environment in which government operates, defining policy and delivering services designed to engage citizens and communities to take greater responsibility for their wellbeing and providing them with service choices to meet their needs.

Hence, it is important that the public sector engage with communities in the development, delivery and review of policies and services. This engagement should be early on in the planning and design of services, and then continue through the delivery and feedback stages in order to assess satisfaction and ways to improve services. This input helps ensure services reflect and address the needs of citizens and the broader community.

In Queensland, achieving many of the *Toward Q2* targets will require the active support of the community and delivery partners. Strategies to obtain the community's input, support and participation have been implemented, including:

- the launch of an interactive *Toward Q2* website
- a state-wide community consultation process to build awareness of *Toward Q2* and obtain community ideas about how to achieve the ambitions and targets, and a report released in response to the consultation, and
- the launch of the *Toward Q2* Partners program, which recognises local councils and businesses, community, industry, and non-government organisations who deliver projects and programs that directly contribute to the achievement of the *Toward Q2* targets.

These interactive strategies help keep the focus on achieving outcomes for the people of Queensland.

As the implementation of the PMF continues in Queensland, agencies are also required to define performance indicators for their agency objectives. Agencies are being encouraged to develop and set targets for these performance indicators. These indicators need to be balanced and hence should incorporate non-financial measures covering customer satisfaction and service delivery outcomes.

Chapter 7 Flexibility and agility

- 21** *What is the optimal rate of mobility between APS agencies and other parts of the labour market? What could the APS do to encourage and support greater mobility?*
- 22** *What practical mechanisms could be used to foster a more unified public service culture?*
- 23** *How could recruitment practices be enhanced within Australian government entities? What are the strengths of current recruitment processes?*
- 24** *What are your top three ideas to encourage the pursuit of continuous improvement across the public service?*

Increasingly the public service will be expected to be able to adapt and respond easily to new and complex problems. As identified the Queensland Government has undertaken significant Machinery of Government reforms to better position the public service to address challenges,

particularly through the cluster arrangement whereby a group of agencies are aligned to provide more coordinated responses and services to these issues. The Queensland Government is also currently working towards a consistency of branding across the sector, to promote the concept of government as employer, not individual agencies. This involves the sole use of one Queensland Government logo, not individual department logos. This contributes to a unified culture and sense of identity for government employees, and also generates a better external identity, which is beneficial in areas such as recruitment. *Toward Q2* has also provided a clear blueprint for the future, requiring the public service to work in new ways, to challenge the status quo and identify opportunities for innovation and creativity. This strategy will foster a more unified public service culture in Queensland, as it impels agencies to break down barriers and work together.

Mobility is another area to assist in achieving flexibility in the public service. From a Queensland perspective, the issue of mobility has focussed largely on a managed mobility program for executives at SES and Senior Officer level as part of executive development. Encouraging mobility at senior levels is critical to achieving a SES cohort comprising executives who have a shared identity, a sector wide perspective and generic leadership and management skills. The original concept of a highly skilled and mobile SES is all the more relevant in today's whole-of-government environment.

The Queensland Executive (mobility) Program, in operation since 2002 and managed by the PSC, has focused on mobility across agencies in the QPS, with the occasional placement outside the service, but within the state. The program includes:

- enhanced executive development incorporating a capability development tool to assess participants' development needs and prepare a Personal Development Plan to guide placement selection, and incorporating a program of professional development including workshops and executive coaching
- a 12 month program with a 6-month placement as a key component, and
- flexible arrangements for appropriately matching participants with positions and human resource support.

Despite considerable interest in and aspirations for executive mobility among governments around Australia, and the efforts of program developers and coordinators, the Queensland experience (and the broader literature) identifies a range of obstacles that hinder the successful implementation of executive mobility programs. Significant challenges include:

- cultural factors - a public service culture that has not traditionally valued mobility amongst officers, including little support from chief executives
- a department-centric SES - strong identification with, and loyalty to, their department significantly inhibits participation by executives in a program that places them, if only temporarily, in another department
- image - there is some stigma associated with mobility programs as participation has been seen as an indication of performance issues, and
- logistical arrangements - including inappropriate placements, job security, difficulties in including regional executives, impact on employment contracts, lack of human resource support.

To enhance the mobility of senior executives requires changes to many of these logistical arrangements. The critical challenge, however, is to create a culture that values mobility through genuine buy-in by all parties, particularly from chief executives who champion mobility.

At the recent Public Service Commissioners' meeting commissioners or their equivalents across Australia and New Zealand agreed to pursue an agreement for mobility or interchange between jurisdictions so as to improve or encourage mobility between jurisdictions. Interchange arrangements would overcome practical difficulties associated with differing conditions of employment as well as addressing the challenges regarding the need to relocate staff.

Chapter 8 Efficiency in all aspects of government operations

- 25 How can Australian Government policy departments improve their own efficiency?**
- 26 How can Australian Government service delivery agencies improve their own efficiency?**
- 27 What mechanisms should be used to systematically improve efficiency across the public service as a whole?**
- 28 What skills and capabilities are required to drive efficiency throughout public sector organisations?**

While efficiency may not be the key driver for reforms, it is important to ensure that this goal is also considered and ways to achieve efficiencies are explored within reforms. The reforms undertaken within Queensland have created greater efficiencies, with the Machinery-of-Government reforms in Queensland providing opportunities for combining areas such as corporate services. However, there are also other ways to achieve efficiencies in corporate support areas, such as contracting out this support to the private sector, or ensuring there is a core set of standards and processes (finance, HR, etc) applied across the entire APS to reduce administrative costs.

The creation of strategy/policy hubs could not only enhance policy development but also provide an opportunity to reduce the number of policy branches/divisions across APS organisations. This could potentially lead to more integrated, more effective policy and program development.

More regular and rigorous evaluation of programs and services to better inform decisions around the allocation of resources should also be considered. In addition, government and departments need to be better prepared and able to stop programs that are not working and/or have achieved their goals/outcomes and/or are no longer a priority.

Expenditure Review Committee of Cabinet

The Queensland Government has recognised the need to enhance efficiencies within the public service and identified a productivity dividend of \$60 million in 2008-09 and \$80 million ongoing (\$300 million over four years), targeting waste and duplication in departments. While the dividend was not applied to front line service delivery areas, departments have been required to examine their business practices, looking for efficiencies and more innovative ways of doing business.

In the 2008-09 *Major Economic Statement*, the Government announced a further public service efficiency target of \$100 million per annum for 2009-10 rising to \$200 million per annum from 2010-11. Specifically, these savings are to be achieved through business improvement processes which reduce corporate overheads, publication and marketing costs.

The Premier also announced the formation of the Expenditure Review Committee of Cabinet (ERCC) to oversight departments' implementation of the productivity dividend in March 2008. The ERCC has delivered an \$80 million productivity dividend and continues to work with departments to identify savings and efficiencies, particularly where resources can be released for reinvestment in frontline services. The ERCC is about to take on a broader role in examining additional opportunities to identify further efficiencies, particularly in major service delivery systems, within agencies in the future.

Reviewing efficiency and effectiveness

The PSC has a role in undertaking reviews of public service offices around efficiency and effectiveness. This function is outlined in the *Public Service Act 2008*, which states the Premier may refer to the PSC any matter relating to the effectiveness or efficiency of a public service office for the PSC to review and report on. These are referred to in the Act as commission reviews. Under Section 37(4) of the Act the Minister must table the review report in the Legislative Assembly.

The PSC does not currently have an annual schedule of departmental reviews, however any prioritisation of review activities and the scope of particular reviews will be planned in conjunction

with understanding the priorities and activities of other whole-of-government review functions such as the ERCC.

It is expected that as a number of new key government decision making bodies mature, there will be increased demand for reviews by the PSC. This will lead to a more structured approach from the PSC whereby an annual schedule of proposed reviews would be produced but with sufficient flexibility built in, in order to respond to emerging priorities across government and modify the forward schedule accordingly.

Appendix 1

Service Delivery Principles are provided on the following page.

Service Delivery Principles

Purpose and use of these principles

These principles provide guidance to Queensland Government agencies when developing policy and designing programs to deliver quality services to Queensland citizens. In applying these principles agencies will need to consider competing issues such as available resources, high demand, level of need and complexity of responses.

1 Aligned to strategic priorities

- Service delivery should deliver outcomes consistent with both the government and the department's priorities

2 Citizen-centric

- Citizen needs should drive organisational, program and service delivery design
- Service planning and delivery should be based on demand and demographic need within available resources
- Service delivery should be flexible and responsive to citizens' needs
- Services should be delivered in an equitable, ethical and transparent manner with agencies responding and adapting to citizen feedback

3 Simple and accessible

- Clear information should be provided to citizens so that they are aware of what level of service they can expect and how they can expect to receive it
- Citizens should be able to access the right service at the right time through an appropriate access method
- The pathways to government services should be clear and citizens should be easily able to identify access points for services
- A range of access methods should be available to increase accessibility and responsiveness

4 Integrated, measured and sustainable

- Planning and delivery of related programs and services should be integrated wherever possible
- Transparent and clear performance measurement and reporting at the program and sub-program level should still be possible where services are integrated
- The value of a service should be measured and monitored equally from financial and non-financial perspectives
- There should be a culture of review and evaluation of service delivery and where indicated, an ability to adapt the service delivery to address changing needs

5 Strong partnerships

- Agencies should work together and with all sectors at the local and regional level to provide integrated services to citizens. This includes sharing information to enhance the seamless delivery of services.
- Agencies should share common use assets, accommodation and infrastructure wherever possible.

6 Adaptable regional and rural services

- Tertiary and specialist level services should be provided only where warranted by a critical mass or regional demand
- Regional boundaries should be the same for all services within a department unless there is clear evidence that this will provide no benefit to citizens
- There should be a balance between efficiencies and community employment in regional service delivery

Appendix 2

The Queensland Government departmental structure is provided on the following page.

Queensland Government, April 2009

6 Clusters & 13 Departments, led by 18 Ministers. The diagram below does not reflect Ministerial Seniority.

CLUSTER
Department
Minister

