



CONNECTING
GOVERNMENT

Whole of Government Responses
to Australia's Priority Challenges

MANAGEMENT
ADVISORY
COMMITTEE

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>> PREFACE

I am pleased to present this important Management Advisory Committee Report on *Connecting Government: Whole of Government Responses to Australia's Priority Challenges*.

My strong perception is that the Australian Public Service (APS) performs well, compared to other public sectors around the world, in working across the organisational boundaries of bureaucracy. Every day, in many ways, we bridge successfully the demarcations of officialdom that can undermine successful policy development and delivery. But we cannot be lulled into a self-satisfied complacency. Challenges remain. More than ever before, agencies must continue to find new and better ways to work together to deliver results for the Australian Government and the community.

There are many reasons that we should work in a whole of government way. Not least is the fact that every major challenge of public administration—ensuring security, building a strong economy, coping with demographic change and crafting social policy—necessarily requires the active participation of a range of central and line agencies.

Australians rightly demand the delivery of government programs and services in a seamless way. They should also expect that, behind the scenes, all the resources of government will be brought to bear in the search for innovative solutions to the complex challenges of developing public policy.

It is important that commitment to a whole of government perspective is not misinterpreted as a call for 'group think'. Governance has been improved by the fact that public policy is an increasingly contested terrain. The challenge is to ensure that the collective decision-making of the Australian government is based upon the best informed articulation of the challenges faced and a strategic assessment of the relative merits of different approaches to how they might be addressed. For this, a comprehensive whole of government approach is required.

Connecting Government goes beneath the surface of the 'coordination' that the APS strives to achieve. It examines the many different and sometimes competing imperatives that contribute to successful whole of government work and seeks to learn from our successes and failures.

The report does not believe that effective solutions lie in moving around the deckchairs of bureaucratic endeavour. Rather it reinforces the need to continue to build an APS culture that supports, models, understands and aspires to whole of government solutions. Collegiality at the most senior levels of the service is a key part of this culture.

Portfolio secretaries and agency heads will be responsible for driving cooperative behaviours and monitoring the success of whole of government approaches. This has many elements. They will be required to ensure that their staff understand that their role on interdepartmental committees or task forces is not to defend territory but to seek

solutions in the national interest. They will be expected actively to champion whole of government projects and to model critical behaviours such as collegiality.

The report also highlights the need for agencies to recruit and develop people with the right skills. Relevant topics should be included in induction and training so that coordination, cooperation, negotiation and openness are truly valued. Agencies will be encouraged to give their high performing staff experience on whole of government projects and to support their participation with other agencies in such projects.

Commitment needs to be recognised. New service-wide awards will be offered to celebrate the best whole of government work. The success or failure of the APS in taking whole of government approaches will be reported through the State of the Service report.

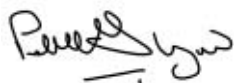
Knowledge is a key to cultural change. A web presence will be established to encourage agencies to share information, expertise and ideas so that the increasing volume of research on the organisation of whole of government approaches can be collected once but used many times.

MAC will fail if its reports are quietly filed away under the heading 'Read on a Wet Sunday'. There are many more initiatives in this report which offer practical help to Australian government agencies in their efforts to continually improve the way they work across boundaries. The objective is to implement many more.

Whole of government is the public administration of the future. It offers links and connections to the global community of ideas, knowledge and understanding essential for the APS to face the governance challenges of the 21st century. It extols team-based approaches to solving the wicked problems that are endemic to public policy.

Connecting Government: Whole of Government Responses to Australia's Priority Challenges is a valuable guide to participating effectively in that future.

I hope it makes a difference.

A handwritten signature in black ink, appearing to read 'Peter Shergold', with a horizontal line underneath.

Dr Peter Shergold AM

SUSTAINABLE REGIONS PROGRAM

Objective

The Sustainable Regions Program (SRP) is piloting a new, holistic approach to providing Australian government funding for regional Australia. Launched in August 2001, SRP focuses on community building and sustainable development rather than a simple ‘apply for a grant’ approach. It is about communities working together to invest wisely in the social, economic and environmental assets of their region for a sustainable future, in partnership with government.

Funding for the SRP totals about \$100 million for the period from 2001–02 to 2005–06. Assistance under the SRP has been provided to the following prototype regions:

- Far north-east New South Wales
- Campbelltown–Camden, New South Wales
- Gippsland, Victoria
- Atherton Tablelands, Queensland
- Wide Bay Burnett, Queensland
- Kimberley, Western Australia
- Playford–Salisbury, South Australia
- North-west and west coast Tasmania.

Through SRP the Australian Government supports these regions by:

- providing a stimulus for activity through funding
- taking a whole of government approach and assisting with brokering deals and joint funding with other government agencies and the private sector
- considering large-scale issues for a region
- supporting regions to analyse and test the implications of possible future directions.

Local advisory committees comprising business, community and/or local government representatives have been given the flexibility and autonomy to recommend, direct to the minister, projects for consideration. Final funding decisions rest with the minister.

One of the main aims of SRP is to give designated regions autonomy and significant control over the process and outcomes for their region. The SRP emphasises the 'one size does not fit all' principle and gives regions flexibility in:

- the process used for calling for expressions of interest and projects
- how to determine regional priorities
- how to undertake planning and analysis to identify priorities and future development options.

Key players

Key players are:

- Minister for Transport and Regional Services
- Department of Transport and Regional Services
- local advisory committees
- government agencies at all levels responsible for managing various issues including infrastructure, community services and the environment
- communities of the eight regions including the private sector and educational institutions.

The SRP is administered by the Department of Transport and Regional Services (DOTARS). DOTARS promotes partnerships between all spheres of government, the private sector, local advisory committees and other organisations in the regions to achieve the goals of the SRP. At the Australian government level all relevant departments and agencies are consulted and invited to be partners in implementing projects. When priorities are identified in a designated region, DOTARS brings together key players at the federal sphere and determines ways of coordinating a whole of government approach.

Overview of learnings

The SRP offers significant opportunity to create partnerships with the private sector, between levels of government and within the Australian Government. There are, however, considerable resource and time implications of working within and between these layers: program rules and individual portfolio priorities do not necessarily blend well to deliver the maximum benefits possible for communities. While the case study predominantly reflects the views of one agency, the learnings are still relevant.

At this stage, the SRP has had significantly more success forging partnerships with state agencies and local government than with other Australian government agencies.

Successful whole of government activity included:

- a clear articulation of the key strategic directions and priorities by locally based committees—in the Kimberley, for example, the objectives for the region, affirmed by the state government, are predominantly in harmony with those articulated by the Sustainable Regions Advisory Committee
- leadership and support from the top (political and bureaucratic)
- willingness of key players to work together
- a shared vision by agencies to focus on problems and achieve real outcomes for people living in the regions
- shared performance indicators and ways of monitoring progress, and flexible funding arrangements
- pooling resources.

The Regional Deputy Secretaries Group has provided opportunities to develop an Australian government whole of government response to regional Australia. This is not a substitute for mechanisms used between departments to progress a range of issues, but can be a door opener where conventional mechanisms may not be productive.

While there has been a lot of goodwill surrounding whole of government, there are practical impediments to more responsiveness. One impediment is the way departments define outcomes in their Portfolio Budget Statements (PBSs), which can limit the development of innovative solutions to problems. The PBS concentrates on the specific responsibilities of an agency rather than providing an opportunity to include wider objectives that would cover broader government aims. If this broader approach were taken, it could enhance the success of a whole of government approach.

APS employees located in the SRP regions have enormous potential to help deliver a more whole of government approach to regional Australia. Their on-the-ground support is invaluable in providing advice and making linkages.

National offices too have a significant role to play. Regional employees can be hamstrung if national offices do not supply adequate support. National offices need to pursue the high-order strategic policy frameworks so that regional employees have a clear mandate about how to do business.

There is an important role for lead agencies in developing critical partnerships at all stages—from information sharing and scoping of responses to identification of synergies and agents for delivery.

Key findings of the areas of investigation

1. Structures and processes

	Issues	Response	Key learnings
1	Developing the SRP as part of the new policy proposal process.	It allowed efficient liaison within agencies and saved money—most likely better than co-locating people from different agencies.	Development of whole of government program policy does not require co-location of APS employees.
2	Some Australian government agencies' programs were not always flexible in how they considered a SRP application against guidelines—they had difficulty meshing their national or issue-specific objectives with SRP regional objectives. State agencies could be more willing to embrace the concept of joint funding.	Formation of Sustainable Regions Australian Government Whole of Government Network/ Deputy Secretaries Group tried to get better coordination across portfolios.	More flexible program delivery by other agencies would enable better integration. Flexibility in how SRP funds can be used has been a valuable lever in obtaining funding from other government and private sector sources. There is a need for very senior leadership and commitment.
3	Some Australian government agencies' policy areas were committed to the process in the development of the SRP, but program areas less so during the implementation.	(as above)	There is potential for continuity of whole of government teamwork to be broken between policy development and implementation. There is a need for very senior leadership and commitment.
4	The SRP seen by other agencies to be a DOTARS-focused initiative within whole of government.	The Sustainable Regions Australian Government Whole of Government Network was established to provide a forum for Australian government agencies to engage in whole of government activity in the eight prototype sustainable regions. The Deputy Prime Minister, the Hon. John Anderson, wrote to his ministerial colleagues in April 2002 seeking support for a collaborative approach towards the SRP.	The SRP's initial promotion could have benefited from greater emphasis on the involvement of other agencies and more detailed communication with agencies of its approach. Groups such as the Sustainable Regions Australian Government Network and the Regional Deputy Secretaries Group are not a substitute for mechanisms between departments to progress a whole range of issues, but the groups can be door openers where conventional mechanisms may not be productive.

Structures and processes (continued)

Issues	Response	Key learnings
	<p>The network first met in July 2002 and has provided DOTARS with a platform for dialogue and a database of contacts across the APS. Matters that influence the broader policy agenda of the SRP are now considered also by the Regional Deputy Secretaries Group.</p> <p>Whole of government groups provide a more formal way of looking at some of the practical impediments to whole of government, like funding cycles and closing dates on programs.</p> <p>Whole of government groups can also operate at a high-order/strategic level and provide leadership on regional whole of government issues. This would include ways agencies could integrate their programs to better address regional priorities.</p>	

2. Culture and capability

	Issues	Response	Key learnings
1	<p>Greater understanding by some Australian government agencies about opportunities whole of government activity can provide for addressing complex issues and achieving mutual outcomes.</p> <p>The need for APS employees to think laterally and actively engage in whole of government work.</p> <p>Better understanding of how whole of government work fits with everyday activity.</p>	<p>Regional Deputy Secretaries Group tries to achieve high-level commitment.</p>	<p>The need to have senior executive engagement.</p> <p>Conduct seminars to explore/explain role of whole of government including international experience.</p> <p>Whole of government applies equally to all levels of the APS.</p> <p>Whole of government should be seen as a way of doing business.</p>

3. Information management and infrastructure

	Issues	Response	Key learnings
1	Whole of government requests for input into project assessment did not always elicit all relevant information.	Agencies contacted individually to clarify requirements and determine response.	Importance of bilateral relationships, as well as whole of government networks.
2	Communities faced information overload from all levels of government.	Community advisory committees (and executive officers) were able to provide a targeted whole of government perspective and information to people interested in programs.	It was important that a whole of government activity be undertaken within the region rather than only from Canberra or a capital city. Area consultative committees would benefit from additional resources and expertise.

4. Budget and accountability framework

	Issues	Response	Key learnings
1	Some agencies were highly cooperative in development of the Stronger Regions Statement, which included the possibility of new budget funds.	Six-monthly reports to government provide an opportunity to report to ministers on SRP whole of government activities.	There is value in agencies working closely in the budgetary process to explore approaches to whole of government funding.
2	Whole of government work is resource-intensive and needs to be recognised.	Departmental funds were not increased.	Recognition that whole of government work is resource-intensive.
3	<p>Differences between internal and whole of government accountabilities:</p> <ul style="list-style-type: none"> • The structure of Portfolio Budget Statements does not enable delivery of whole of government outcomes. • Other Australian government agencies have not acted on the potential for joint funding. 	Formation of Sustainable Regions Australian Government Whole of Government Network/ Deputy Secretaries Group was used to achieve a true whole of government approach.	Identifying broad common outcomes for agencies involved in whole of government work could assist both funding and reporting. Stakeholders could also be involved in identifying common outcomes and priorities.

5. Managing connections outside the APS

	Issues	Response	Key learnings
1	Roles of local advisory committees and executive officers in engaging with the local community were vital.	Local advisory committees and their communities were excited by the opportunity and felt empowered by having a greater role in the decision-making process. Accessibility of on-ground executive officer improved level of community engagement.	Endorsement of local advisory committees' participation in decision-making process. Value of on-ground executive officer supporting local advisory committees.
2	Ability of local advisory committees to bring local knowledge to the table was important.	Local advisory committees were able to test and validate regional priorities. DOTARS was able to target issues and projects with more accuracy with assistance of local advisory committees.	Local advisory committee knowledge of local issues and identities was invaluable.
3	Local advisory committees took more time to make funding recommendations to the minister than anticipated.	DOTARS built constructive relationships and provided regular advice and support to advisory committees concerning strategic planning, and assisted with assessment of projects. Funding was provided to assist with planning and testing future development options. Funds were re-phased to redirect funding to later years.	Local advisory committees need to be given time to adjust to their role to enable them to make good recommendations on behalf of the regional community. The department's role in obtaining advice from other Australian government agencies is vital. Taking a grass-roots approach (allowing a community to set the pace) takes time.

Sources

Interviews

Mr Des Harris, Department of Transport and Regional Services

Ms Wendi Key, Department of Transport and Regional Services

Ms Sema Varova, Department of Transport and Regional Services

Ms Vicki Dickman, Department of Transport and Regional Services

Mr Bill Dejong, Department of Transport and Regional Services

Ms Ruth Povall, Executive Officer, Far North East NSW Sustainable Regions Advisory Committee