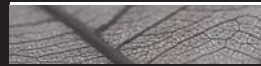


Working with the Australian community

Chapter 11



The capacity of the APS to work effectively with the Australian community is fundamental to our success.

Interactions with the community can take a variety of forms. For most Australians, their greatest contact with the APS will be through the direct delivery of services, for example, income support, taxation or health rebates. The APS Values place a strong emphasis on the APS delivering services fairly, effectively, impartially and courteously and being sensitive to the diversity of the Australian public.

It is critical that the APS builds and sustains its capacity to deliver services, particularly as the complexity of the services delivered grows and community expectations of high-quality and seamless services increase. Meeting these expectations requires a whole of government approach, with an emphasis on a connected public service that is more responsive to the needs of the Australian public. The effective use of technology is an important part of this approach.

Another growing point of contact with the community is in consultation over policy development, programme implementation and regulatory change. These consultations occur with a wide range of groups—the general public, industry organisations, community groups and specialist professional bodies. Greater use of consultation has the potential to contribute significantly to the quality of policy and programme outcomes if used in a targeted way.

Increasingly, the APS delivers government programmes with and through a range of non-Australian Government bodies. At one level, this involves the use of contracted providers, for example, to provide employment-related services to unemployed people on behalf of DEWR through the Job Network. In other cases, it can extend to partnerships between the Australian Government, State and Territory, and local governments, such as Australian Government funding of local road infrastructure through the Roads to Recovery Programme, where local councils, rather than the Australian Government, nominate the projects to be funded.

These collaborations have already improved greatly the efficiency and effectiveness of service delivery in some areas. However, they also highlight the need to ensure that appropriate accountability and governance arrangements are in place to manage relationships with external stakeholders, and to ensure that the APS has the skill set needed to make collaborations work.

In a number of countries, including Australia, there has been a growing emphasis on engaging with the community more directly as active participants in policies and programmes. Such participation reflects changing community expectations, but also a recognition that the delivery of outcomes across a range of key policy fronts requires a degree of community engagement of a more intensive and strategic nature than in the past to achieve the best results, for example, in the area of Indigenous disadvantage. This again highlights the importance of developing the skills in the APS to manage a more active approach to community engagement.

This chapter begins by examining the effectiveness of more traditional approaches to service delivery in the APS. It looks at how agencies are improving the effectiveness of their service delivery, including through e-government, and the issues that have been highlighted through complaints to the Commonwealth Ombudsman (the Ombudsman). It then looks at the extent to which agencies are using consultation with a range of stakeholders, from the general public to more specific interest groups, to contribute to policy development, programme implementation and regulatory reform. It also looks at the extent and effectiveness of APS contact with external stakeholders more broadly. The chapter concludes by looking at the implications for the APS of a move to more active engagement with the community.

Delivering services to the public

The quality of the services delivered by the APS has an immediate impact on how it is viewed by the community overall.

This section addresses how agencies are improving service delivery—particularly through coordination between APS agencies, feedback mechanisms available to service users, employee training and the use of performance indicators and service standards—and how public satisfaction with service delivery is being measured and reported. It also examines some aspects of professionalism demonstrated by APS employees in delivering services to the public. Changes in service delivery as a result of new technology are considered, together with further developments made in implementing the Australian Government's new e-government agenda.

Level of involvement in service delivery

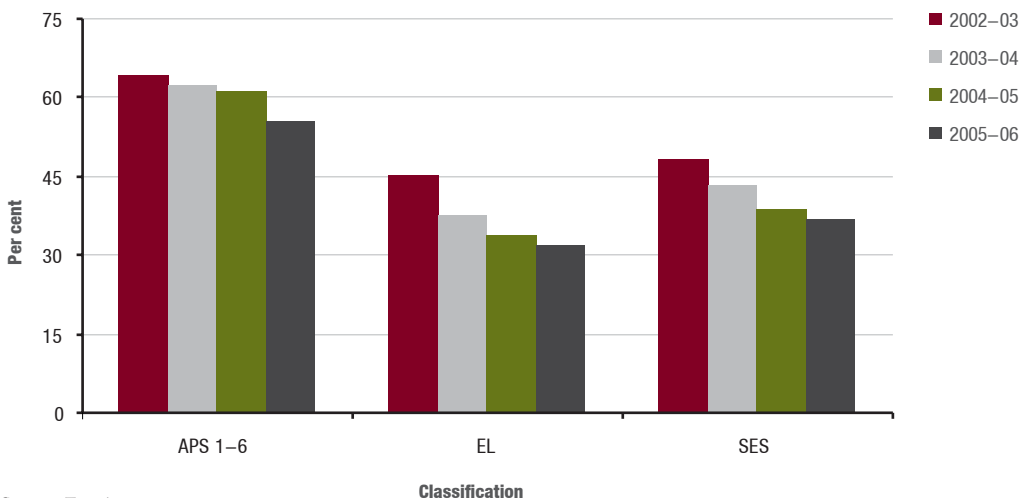
The employee survey found that 50% of employees were either directly involved in delivering services to the public or manage employees who do so. This continues the downward trend over the last few years of employees being involved in direct service delivery (from a high of 61% in 2003).

As might be expected, employees who are located outside the ACT (64%) were much more likely to be directly involved in delivering services to the public than those in the ACT (25%).

Of the large agencies, Medicare Australia, CSA and CRS are the three agencies that have the highest proportion of employees directly involved in providing services to the public, with over 80% of their employees doing so. Seventy-three per cent of respondents from Centrelink, the largest APS service delivery agency, report being directly involved in providing services to the public.

APS 1–6 employees continue to make up the vast majority (85%) of employees involved in delivering services directly to the public, or managing the delivery of such services (EL and SES employees represent 14% and 1% respectively). As Figure 11.1 shows, however, over the last four years there has been a steady decline in the proportion of employees at all classification levels involved in delivering services to the public. Most of the overall decline in the last 12 months appears to coincide with a decrease in the proportion of employees at the APS 1–6 levels involved in delivering services directly to the public.

Figure 11.1: Involvement in delivering services directly to the public by classification, 2002–03 to 2005–06



Source: Employee survey

Women continue to be more likely than men to be involved in delivering services directly to the public. Despite declines, the representation of women in service delivery (63%) continues to be higher than the representation of women in the APS overall (56%), but is similar to the representation of women at lower classification levels, particularly APS 3–4 (67%).

Service delivery continues to be a key area of employment for Aboriginal and Torres Strait Islander employees, with 71% involved directly in delivering services to the public. This result from the 2006 employee survey is slightly lower than the result from the 2005 Aboriginal and Torres Strait Islander Employee Census Survey, where 78% of respondents indicated that this was the case.¹ The concentration of Aboriginal and Torres Strait Islander employees in service delivery positions when the overall proportion of APS employees involved in delivering services to the public is declining may account for some of the decline in the proportion of Indigenous employees in the APS overall.

Professionalism in delivering services to the public

In an environment with an increased focus on delivering high-quality services to the Australian community, it is important for APS employees to exercise high levels of professionalism when dealing with the public. Consequently, employees need to have access to appropriate training to be able to develop the required capabilities, including whole of government coordination.

The following sections examine APS employees' experiences over the last 12 months in accessing training, their views on coordination between APS agencies in delivering services to the public, and their workplace practices in relation to ethical behaviour and confidentiality.

Employee access to training and/or information in service delivery responsibilities

A large majority of employees (83%) involved in delivering services directly to the public (or managing such employees) reported that they receive appropriate training and/or have access to information that enables them to meet their client service responsibilities. This result is very positive and represents an improvement on previous years' results, when just over three-quarters of relevant employees reported that they received appropriate training and/or had access to information. Levels of agreement varied between the large agencies, the highest being 91% at CRS.

Coordination between APS agencies

The degree to which APS agencies can effectively coordinate the services they deliver to the public will depend largely on the level of cooperation between agencies. An increasing proportion of employees involved in service delivery believe that better coordination between APS agencies has occurred in the last 12 months. Almost half (47%) of employees involved in delivering services directly to the public reported that over the last 12 months, cooperation between their agency and other APS agencies had improved their work area's capacity to tailor service delivery to the needs of their clients. This is an improvement on last year's result (35%).

Results varied by classification and agency size, with SES employees more likely than EL or APS 1–6 employees to agree that cooperation had improved their work area's capacity to tailor service delivery. Employees in small and large agencies were more likely to agree than employees from medium agencies. Results for the large agencies ranged from 20% to 64%.

¹ Further information on the results from the Census Survey can be found in Australian Public Service Commission 2006, *Census Report: Aboriginal and Torres Strait Islander APS Employees* <<http://www.apsc.gov.au>>

A coordinated response to Cyclone Larry and the Katherine floods

The Centrelink emergency management response to Cyclone Larry in Far North Queensland and the floods in Katherine in the Northern Territory during the months of March and April 2006 and subsequent assistance with transition to recovery to 30 June 2006 proved to be a massive whole of government relief effort.

Cyclone Larry

On 20 March 2006, Cyclone Larry crossed the coast at Innisfail. From then until 30 June Centrelink paid over \$160 million in direct government relief assistance, representing more than 57,000 claims. Over 1460 employees from across Centrelink were involved in the provision of assistance within the declared disaster area.

Katherine Floods

Katherine office closed at 11.00am on Thursday 6 April due to the impending flood. The first response staff were flown in on Friday 7 April. The office was open, both for Centrelink business and as the Disaster Relief Centre, from Monday 10 April. In a first for the Commonwealth, Centrelink delivered Natural Disaster Relief Payments to affected citizens on behalf of the NT Government (NT Dept of Health & Community Services). Centrelink paid just under \$400,000 in assistance on behalf of the NT Government, representing 859 claims.

Workplace practices

Employees were very positive about the impact of their workplace practices on service delivery. The great majority (86%) of employees who were involved in delivering services to the public agreed that employees in their workplace behave ethically, professionally and fairly when making decisions that affect their clients and customers. Almost all (94%) agreed that confidentiality of information is taken seriously in their workplace, and 88% agreed that employees in their workplace do not abuse their authority or position when dealing with customers or clients. In addition, 84% of relevant employees agreed that employees in their workplace are committed to providing excellent customer service. SES employees tended to have more positive views than EL and APS 1–6 employees, except in relation to confidentiality where results were uniformly high.

These very positive results for confidentiality may, in part, reflect some agencies' recent proactive approach to implementing mechanisms to detect inappropriate access to client or customer information. The action taken by Centrelink this year, where around 600 employees were sanctioned under the Code of Conduct for inappropriately accessing client records as the result of the implementation of more sophisticated monitoring systems, shows that agencies are serious about protecting the confidentiality and privacy of client and customer records.

Of the large agencies, CRS and Medicare Australia recorded agreement levels that were consistently above the APS average (agreement levels for both of these agencies for the four workplace indicators were 95% or higher).

Employees who agreed that their colleagues, immediate manager and senior leaders act in accordance with the APS Values also recorded higher levels of agreement on the workplace indicators.

Some employees took the opportunity to provide comments on levels of commitment to customer service (the comments are not necessarily representative of all APS employees).

We care, we listen, we get it right! This is written in our Client Service Charter and is taken seriously by my co-workers.

The team is strongly motivated to provide really good customer service.

Staff in my agency are highly committed to providing the best service possible to customers who are often in very difficult circumstances.

Some members are excellent in their dealings with the public, and others leave a lot to be desired.

[agency] has always delivered the highest standards of customer service as reflected in surveys of our customers. In the last year however I think the focus has shifted away from customer service.

Improving service delivery

Agencies have adopted a range of approaches to monitoring public satisfaction. These include mechanisms to measure and report on agency performance, and mechanisms used to obtain, and respond to, feedback from the public.

Use of performance indicators

A key mechanism used by the Australian Government to improve service delivery is agency service charters. A service charter is a public document that describes the standard of service the public can expect from an agency.

The Australian Government's approach to service charters is based on a common set of principles outlined in the *Client Service Charter Principles 2000*. These principles contain mandatory elements in relation to service standards, feedback options and reporting on performance. All government agencies delivering services directly to the public are required to prepare and implement such a charter. Agencies with policy development functions are also encouraged to develop charters.

The *Client Service Charter Principles 2000* place a strong emphasis on the monitoring and reporting of satisfaction. They also state that, when deciding which service standards to publish, agencies should take into account their ability to measure performance against each standard.

There was an increase in 2005–06 in the use of service standards to measure the quality of services provided to the public. The proportion of agencies that report having quantifiable performance indicators or service standards in place has increased to 67 agencies or 80% in 2005–06, compared to 58 agencies or 71% in 2004–05. Ten agencies reported that they had no public contact.

Increases were particularly evident for small and large agencies, with all large agencies now reporting that they are using these indicators.

There continues to be widespread use of mechanisms to report this information, with agency management structures (94%) and the annual report (96%) continuing to be the mechanisms most commonly used by relevant agencies. Reporting to internal service delivery units has increased over the last three years (84%, up from 74% in 2004), as has the use of balanced scorecards (45% in 2006, up from 34% in 2004).

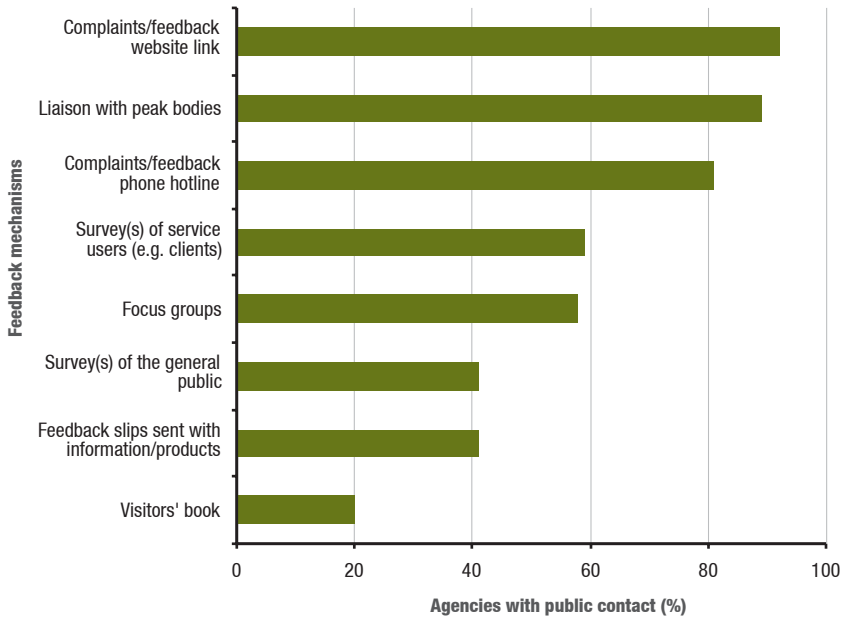
Following the Uhrig Review, statutory authorities with service delivery responsibilities are required to make their service objectives and goals publicly available, in what is called a Statement of Intent.² Statements of Expectations (issued by the relevant Minister to the statutory authority) and Intent (the response by the statutory authority to the relevant Minister) are designed to clarify the purpose, functions and objectives of the statutory authority. Two of the largest service delivery agencies in the APS, Centrelink and Medicare Australia, entered into their first Statements of Expectations and Intent in 2005–06; these are publicly available on their websites. Further information regarding Statements of Expectations and Intent and other agency governance arrangements can be found in Chapter 9.

² It should be noted that highly independent bodies, Government Business Enterprises (GBEs) and agencies closely linked to departments are exempt from this reporting requirement.

Effectiveness of service delivery

There is a widespread use of public feedback mechanisms among agencies with public contact. Figure 11.2 shows that the most common mechanisms used by agencies to obtain feedback from the public were website links, liaison with peak bodies and telephone hotlines.

Figure 11.2: Use of feedback mechanisms to obtain information from the public—relevant agencies, 2005–06



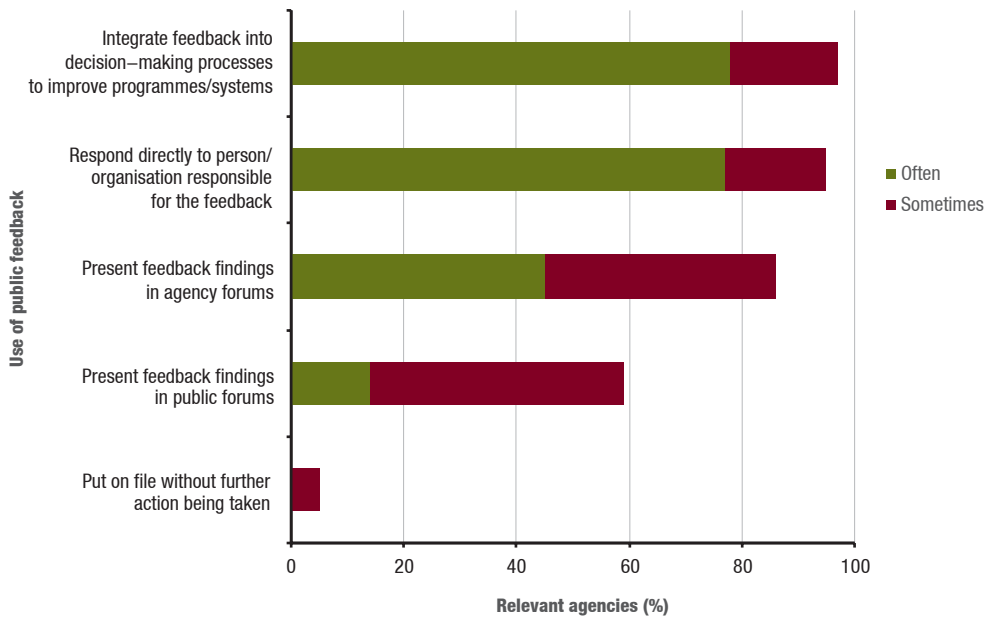
Source: Agency survey

Variation among agencies in their use of feedback mechanisms continues to be related to size, with large agencies more likely to use feedback mechanisms. In particular, large agencies were more likely to use complaints/feedback phone hotlines and website links—although the use here for medium and small agencies was also relatively high. The use of client surveys was more often reported by large agencies than by medium and small agencies.

Large agencies were also more likely to use focus groups and liaison with peak bodies—all large agencies liaised with peak bodies. Differences based on agency size are likely to reflect differences in the nature of the business, of service users, in ways of doing business, and in resourcing.

Most agencies that collect feedback have mechanisms to ensure that it is fed into service delivery improvement. Figure 11.3 shows that relevant agencies were most likely to respond directly to the person/organisation, and to integrate feedback into decision-making processes, with approximately three-quarters of agencies reporting doing so often.

Figure 11.3: Use of feedback collected from the public—relevant agencies, 2005–06



Source: Agency survey

Fewer agencies presented feedback findings in public forums. Greater use of public forums may be a particularly effective way for agencies to engage the Australian community in the discussion on service delivery and to strengthen their relationships with the public.

Reflecting the high use of such measures in agencies, most employees directly involved in delivering services to the public agreed that their workplaces used feedback from their customers and clients to improve the services they deliver (69% of relevant employees agreed and 11% disagreed).

The level of agreement about the use of feedback among employees directly involved in service delivery varied significantly based on classification and agency size. Relevant SES employees were more likely than employees at the EL classifications to agree, who in turn were more likely than APS 1–6 employees to agree. Employees working in small agencies were much more likely to agree than employees working in medium and large agencies. Among large agencies, three agencies had significantly higher agreement levels than the APS average (CRS, DEST and Medicare Australia).

Employees were even more positive about their workplace striving to match services to customer needs. More than three-quarters (77%) of employees agreed that this was the case. As for the use of feedback, employees' agreement levels with this statement varied by classification.

Service delivery employees who agreed that their workplace used feedback from customers and clients to improve services were also more likely to agree that their workplace strives to match services to customer needs.

Some employees also took the opportunity to provide comments on aspects of service delivery in their agency. Consistent with the results reported above, most employees who provided comments were positive about their agency's approach to service delivery (these views are not necessarily representative of all APS employees).

My agency prides itself on its service delivery to the client group.

[agency] has always delivered the highest standards of customer service as reflected in surveys of our customers.

Every effort seems to be made to deliver efficient and effective service to the public.

This year, as part of their five key achievements, some MAC agencies outlined some of their achievements in relation to improving service delivery.

DVA finalised a service delivery review which was conducted to develop options and strategies to match its resources to an expected decline in client numbers. A new national structure, known as oneDVA, has been implemented without adverse impact on the Department's clients.

DHS and its portfolio agencies provided greater convenience to customers through a larger variety of contact options, including the increasing use of online services. Centrelink, CSA and Medicare Australia have introduced and/or improved their online services; 329,000 customers have used online services to update their personal details and 634,000 customers accessed family assistance services online.

Centrelink introduced the Single User Workspace to improve the conceptual and physical environment for marshalling workflows for Centrelink Customer Service staff. The Single User Workspace represents a convergence of existing technologies into a single framework. It strengthens and unifies the service delivery environment to support the introduction of new government initiatives like Welfare to Work. Employees will be able to focus more of their attention on the customer rather than on the system in the way they do their work.

Audit Report No. 26 2005–06 Forms for Service Delivery and Better Practice Guide: User-Friendly Forms, Key Principles and Practices to Effectively Design and Communicate Australian Government Forms

Each year, Australian Government agencies issue and receive back millions of forms to establish individuals' eligibility for services. Well-designed and effectively communicated forms make it easier for members of the public to access these services, and support administrative efficiency. This audit examined how well key Australian Government agencies responsible for the delivery of services to individuals managed form design and review.

The results of the audit were used to develop a Better Practice Guide to help agencies increase the usability and effectiveness of their forms.³ Following are some of the principles for form design that are reflected in the Better Practice Guide.

The key to developing useable forms is to understand clients' requirements. Processes for form design, issue and review will improve if the agency:

- consults with relevant community organisations about the communications needs and preferences of the client groups each represents and takes account of this information in form design and review activities;
- strengthens understanding of client preferences and constraints influencing communication channel use (mode of communication), and facilitates clients' connection to the mode of delivery most appropriate to their circumstances;
- involves design experts with content owners of forms early in the design process to enable more effective and efficient form design approaches;
- tests how easily forms placed on its website may be found, including by users with special print handicap, literacy, language and dexterity needs;
- undertakes independent market research on customer satisfaction with its major forms and associated information products;
- undertakes systematic and regular analysis of customers' completion patterns for the main forms used for delivering major programmes.

³ ANAO 2006, Better Practice Guide, *User-Friendly Forms: Key Principles and Practices to Effectively Design and Communicate Australian Government Forms*, <<http://www.anao.gov.au>>

Service users' satisfaction

Seventeen agencies provided information about their overall levels of client or customer satisfaction, and these are presented in Table 11.1. Direct comparisons between agencies are not recommended as the survey tools used to measure satisfaction are specific to the business of each agency and use different methodologies.

Nevertheless, the results presented in the table paint a positive picture of service users' overall satisfaction with relevant APS organisations, with the majority of these agencies reporting service user satisfaction levels of 80% or higher.

Table 11.1: Service user satisfaction levels, 2005–06

Agency	Overall satisfaction level	Measure
Department of Communications, Information Technology and the Arts	96	Customer service overall as satisfactory to excellent
Medicare Australia	96	Community satisfaction with Medicare
National Library of Australia	96	Satisfied overall with their visit
Australian War Memorial	94.5	Somewhat satisfied to very satisfied with overall visit to the Memorial
National Museum of Australia	93	Satisfied to very satisfied with their visit
Department of Veterans' Affairs	90.4	Overall satisfaction with services
Department of Foreign Affairs and Trade (Passports Customer Survey)	Over 90	Maintain high level of service to clients
Bureau of Meteorology	90	Satisfied to very satisfied with weather services and information
Department of Industry, Tourism and Resources	88.7	Overall customer satisfaction with service delivery
Office of the Employment Advocate	87.2	Clients fairly to very satisfied with OEA products/services
Centrelink	86	Service as good to very good
Office of the Australian Building and Construction Commissioner	84	Service as extremely helpful
Administrative Appeals Tribunal	4.1	5 point scale of staff courtesy
Comcover	81	Satisfied to extremely satisfied with services provided by Comcover
IP Australia	80	Satisfied, very satisfied or extremely satisfied with the organisation
Office of the Privacy Commissioner	73	Respondents with respect to the complaints handling process who rated service good to excellent
Child Support Agency	3.5	5 point scale of overall client satisfaction

Source: Agency service user survey data

Last year's State of the Service report outlined a Cabinet Office initiative in the UK that aimed to create a comprehensive 'Customer Satisfaction Index'—a standard measurement system across public services that could identify, and then track, the degree of customer satisfaction with public services.

A report released in June 2006 outlined the findings of a review examining this proposed initiative. One of the recommendations was that there should not be a central measurement of customer satisfaction (such as a centralised index), but that customer satisfaction surveys should be commissioned and owned by the organisations delivering the services to the public. The report recommended that organisations should, however, be required to include in their surveys certain core questions and to comply with a survey framework and approved robust methodology—these baseline elements would enable benchmarking within sectors.⁴

⁴ B. Herdan 2006, *The Customer Voice in Transforming Public Services: Independent Report from the Review of the Charter Mark Scheme and Measurement of Customer Satisfaction with Public Services*, <http://www.cabinetoffice.gov.uk/publications/reports/chartermark/cm_review.pdf>

E-government services

ICT is pervasive in all Australian Government functions, from the delivery of health care and education, to the collection of taxes and the protection of borders. ICT is vital in facilitating the provision of seamless service delivery to the Australian community, and represents an efficient way in which agencies can engage citizens in policy debates. Collectively, online, electronic and voice-based government services are known as e-government services. Australia's e-government objective is to simplify the Government's interaction with citizens and business, and improve the efficiency of government administration at the same time.

On 30 March 2006, the Special Minister of State, the Hon. Gary Nairn MP, launched the Government's 2006 e-Government Strategy, *Responsive Government: A New Service Agenda*. This strategy represents the next phase for Australia in terms of improved online service delivery and responsive government.⁵ The strategy concentrates on applying ICT to improve and reform underlying government processes, and outlines the Government's vision for 2010. The strategy also identifies four strategic priorities to guide agencies over the next five years:

- meeting users' needs
- establishing connected service delivery
- achieving value for money
- enhancing public sector capability.⁶

For each of these priorities, the strategy outlines a vision for what can be achieved by 2010, how it can be achieved, and provides a list of actions in key focus areas to deliver the vision by 2010.

AGIMO, led by the Australian Government Chief Information Officer, is responsible for coordinating the implementation of the e-government strategy under the direction of the Secretaries' Committee on Information and Communications Technology and in collaboration with the members of the Chief Information Officers' Committee and the Business Process Transformation Committee.

As part of the e-government strategy, the Government will continue to annually measure overall use and satisfaction with its services. The Government will also review and seek to consolidate the number of its websites. The principal Australian Government entry point www.australia.gov.au will be enhanced to offer simplified sign-on and personalised accounts to government information and services.

The new e-government strategy states that e-government is not simply about applying new technologies to existing business and service processes. Rather, it is about integrating ICT to reform and improve government services, and address the challenges that arise in a devolved environment through cooperation and sharing amongst agencies. Privacy and security issues will be central to the successful integration of ICT into future service delivery reform.

⁵The Hon. Gary Nairn MP (Speech at the launch of the Australian Government's e-government strategy, 30 March 2006), <<http://www.agimo.gov.au/media/2006/march/50097.html>>

⁶AGIMO 2006, *Responsive Government: A New Service Agenda*, <http://www.agimo.gov.au/_data/assets/pdf_file/51499/e-gov_strategy.pdf>

AGIMO is developing the Australian Government Smartcard Framework in consultation with a number of key stakeholders—federal, state and territory government agencies and industry. On 29 June 2006, the Special Minister of State released the first two parts of the Framework:

- the Overview and Principles module—outlining the key strategic concepts underpinning the Framework
- the Smartcard Handbook—a guidance tool on smartcards and related technologies.

The Framework is noted in the e-government strategy as forming part of the blueprint for connected government.

On 8 September 2006, the Online Communications Council agreed in principle that the Australian Government Smartcard Framework become the national smartcard principles; and there is a need to adopt a consistent standards-based approach to smartcard implementation across all levels of government in Australia, as set out in the Framework.

APS e-government effectiveness

Australian Government agencies have made a range of advances in using e-government to improve levels of service delivery.

Agencies' ability to effectively deliver e-government services is critical in delivering the highest quality services to the Australian community, and providing Australians with choice in service delivery channels. The Australian Government is a leader in the use of ICT, particularly in implementing and delivering e-government strategies and developing customer-centric models of service delivery. Australia continues to rank among the top performing countries, ranking sixth in terms of e-government readiness by the UN.⁷

Australia also continues to be a leader in customer service delivery. A 2006 report by Accenture observed that the Australian Government has enacted critical technology, process and governance initiatives to increase its level of service sophistication in response to demand for quality customer service.⁸

A UK Government report has also commended Australia, particularly in relation to its advanced integration of information and services.⁹ The report highlights DEWR's and Centrelink's ability to integrate with Job Network and other welfare agencies, and ATO's electronic services.

ABS is providing access to the entire content of the ABS website free of charge via the Internet. This initiative marks an important milestone in the dissemination of statistics in Australia which will ensure decision-makers within the Australian Government and state/territory governments, business and the community have readily available statistical information with which to make informed decisions.

APS agencies are developing innovative and practical ways of applying new technologies to benefit the community, business and government. In recent years technology has played an instrumental role in better connecting government agencies with the community and business. Examples of agency initiatives designed to increase productivity, build internal capability and enhance user services include:

- DITR's business website <<http://www.business.gov.au>> which offers simple and convenient access to government information, transactions and services for businesses
- ASIC's 'FIDO' website <<http://www.fido.asic.gov.au/fido/fido.nsf>> which provides financial tips and safety checks for consumers and investors

⁷ United Nations, *Global e-Government Readiness Report 2005: From E-Government to E-Inclusion*, November 2005, <<http://www.unpan.org/egovment5.asp>>

⁸ Accenture, *Leadership in Customer Service: Building the Trust*, (2006) pp 62–63, <<http://www.accenture.com>>

⁹ UK Government, *Beyond e-Government—The World's Most Successful Technology-Enabled Transformations*, 2005 <<http://www.egov2005conference.gov.uk/publications/index.asp>>

- NNTT's 'Native Title Vision' website <<http://www.ntv.nntt.gov.au>> which provides native title stakeholders with access to geospatial information through an extranet.

In 2006, DITR won a United Nations Public Service Award in the category of 'Application of ICT in Governments: e-Government for Improving Service Quality for the Business Community by Increasing Access to Information'. The award was made in respect of DITR's Business Entry Point Transaction Manager Initiative, which helps businesses find, manage and complete government forms online without having to understand the structure of government or individual agencies.

Audit Report No. 29 2005–06 *Integrity of Electronic Customer Records*

e-government and data integrity

Many departments and agencies rely on extensive and complex IT systems to manage the workflow across various business areas and to support the delivery of government services. Large databases hold personal and financial information on millions of Australian citizens, residents and visitors—including details of customers' identity, claims, entitlements, income and health records and, where they exist, customers' obligations.

The information stored in these databases must be accurate, reliable and up to date if the various departments and agencies are to rely on that information to effectively and efficiently administer these programmes. In order to facilitate the vision of e-government, or joined up government, there must also be a high degree of consistency of customer information held on various databases.

Over recent years, ANAO has examined various aspects of data integrity in a number of databases including those operated by ATO, Medicare Australia, AEC, DVA and Centrelink. Its analysis has identified some common risks associated with a lack of integrity in large databases.

ANAO work in this area highlights the importance of departments and agencies monitoring the accuracy and reliability of their database holdings. Straightforward analysis can reveal a number of anomalies in data integrity.

Review and evaluation

The challenges of an emerging information society mean that agencies must embrace ICT and prepare for increasing levels of, and faster interactions with citizens. Australia's continued success in meeting the challenges of e-government builds on its citizens' high uptake of technology-enabled services and the provision of ICT infrastructure. *Australians' Use of and Satisfaction with e-Government Service—2006*, the second annual study of citizen use of government services, showed that the uptake of e-government services is rising:

- the level of usage of e-government services has increased significantly, with the percentage of those who accessed government services using the Internet rising from 39% in 2004–05 to 48% in 2005–06
- the percentage of people who conducted almost all of their dealings with government over the Internet increased from 14% in 2004–05 to 19% in 2005–06.

The report found that overall satisfaction levels with e-government services remains high, with over 80% of respondents indicating they were satisfied with telephone and Internet services. These results indicate that the public is generally satisfied with e-government services, although the report also noted that some barriers remain that limit its use, including concerns about privacy and security and not being aware that the contact could take place online.

Reported barriers to public engagement with e-government indicate that, although ICT provides new opportunities for government service delivery, integrating it with existing processes and maintaining choice is central to its implementation. Agencies should be mindful that technological developments in service delivery may isolate sections of the community based on their access to and/or preference for certain technology. Agencies will need to ensure that they have the systems in place to support multi-channel service delivery.

Review of administrative action and decision-making

For more than two decades the APS has been operating in an environment where citizens are able to access information that agencies hold about them, and to have government decisions affecting them reviewed. A suite of Commonwealth administrative law mechanisms supports public scrutiny of government decision-making and action. These mechanisms include the Ombudsman (who is also the Defence Force Ombudsman and the Taxation Ombudsman), external review by the Administrative Appeals Tribunal (AAT) and other specialist tribunals, review under the *Administrative Decisions (Judicial Review) Act 1977 (Cwlth)*, and access to documents under the *Freedom of Information Act 1982*.¹⁰

With the exception of the Ombudsman, the focus of these mechanisms is on external scrutiny of administrative decision-making, rather than on the broader processes of administrative action, including service delivery. Increasingly, agencies (especially service delivery agencies such as Centrelink and the ATO) are developing their own sophisticated complaint management systems which allow them not only to respond to individual complaints, but to identify systemic issues that need to be addressed. Nevertheless, external scrutiny of government decision-making is an important aspect of Australia's democratic system of government. This section concentrates on lessons from the Ombudsman in relation to systemic issues, freedom of information and private contractors, in addition to the Ombudsman's own motion investigations.

Role of the Commonwealth Ombudsman

The Ombudsman's core activity is to handle complaints and enquiries from members of the public about government administrative action. This objective is captured in the Office of the Commonwealth Ombudsman's outcome—administrative action by Australian Government agencies that is fair and accountable.

In 2005–06, the Ombudsman and staff investigated approaches and complaints made about 104 Australian Government departments and agencies. The complaints ranged across the spectrum of government activity. Building on the experience and insights gained from handling complaints, the Ombudsman is in a good position to identify systemic issues affecting the overall effectiveness of service delivery in the APS, and some of the practical issues in administration facing agencies.

Information in this section has been provided directly by the Ombudsman, and includes statistics included in the Ombudsman's 2005–06 annual report and additional analysis of systemic issues facing the APS.

Own motion investigations

The Ombudsman undertakes a number of own motion investigations each year. In 2005–06, the Ombudsman published reports on seven own motion and major investigations relating to APS agencies. Four of the investigations related to DIMA, one to ATO, one to ADF, and one to the quality of freedom of information processing by Australian Government agencies.

Several own motion investigations currently in progress will be completed in 2006–07. These include investigations into:

- issues relating to the implementation of the marriage-like relationship policy
- the administration of the Pension Bonus Scheme
- complaint-handling procedures available in airports
- the quality of the notification of reasons by DIMA for decisions and review rights for refused visa applicants.

¹⁰ The availability of review mechanisms varies depending on a range of factors, including the specific legislative context. For a comprehensive listing of online administrative law resources refer to the Department of the Parliamentary Library, <<http://www.aph.gov.au/library/intguide/law/adminlaw.htm>>

Complaints to the Ombudsman

Many larger agencies have established effective mechanisms for reviewing decisions, handling complaints and obtaining customer feedback to enable improvements to services. This means that for many of the approaches made by members of the public, the Ombudsman does not initially investigate the matter but advises the person about using agency mechanisms for complaint handling and review. Complainants may subsequently request the Ombudsman's assistance if the agency does not resolve the issues.

The Ombudsman is more likely to accept a complaint without the matter first being handled by the agency in the following circumstances: the relationship between the person and the agency is difficult; the person is unable effectively to manage their own complaint, whether because of agency resistance or the person's inability to articulate their problem; or it is doubtful that the complaint will be handled adequately by the agency, due to the nature of the complaint or the effectiveness of the agency complaint mechanism.

In 2005–06, the Ombudsman received 17,384 approaches and complaints within jurisdiction (compared to 17,310 in 2004–05). Of these, 14,125 approaches and complaints were concerned with APS agencies, compared to 14,143 received in 2004–05.

The majority of approaches and complaints received about Australian Government agencies (11,687 or 83%) related to ATO, Centrelink, CSA, and DIMA.

There was an increase in approaches and complaints received about DIMA (up 43%), DEWR (up 12% from a small base), DVA (up 25% from a small base), and DFAT (up 66% from a small base).

In 2005–06, the Ombudsman did not initially investigate 65% of approaches and complaints received (compared to 67% in 2004–05). The complaints that are investigated by the Ombudsman about the activities of both APS and non-APS agencies tend to involve more complex and difficult issues.

Centrelink remains the APS agency about which the most complaints are received, due to its primary role in delivering a large number of Australian Government programmes to the Australian public. Approaches and complaints about Centrelink finalised during the year fell by 5% to 7338.

The Ombudsman received 1891 approaches and complaints about CSA, a decrease of 10% on last year.

DIMA was another substantial source of complaints received by the Ombudsman during the year, with 1250 approaches and complaints received within jurisdiction, an increase of 43% on last year. The Ombudsman investigated 45% of complaint issues arising from complaints about DIMA, against the general average of 35% across all Australian Government agencies.

The number of approaches and complaints received about ATO continued to decline (1451, down 11% on last year). This was previously attributed to the bedding down of the new tax system and the resolution of many of the mass-marketed schemes issues that dogged ATO in the late 1990s and early 2000s. The Ombudsman believes the continuing decline in the number of tax complaints this year, is due to improvements in ATO administration, and particularly to the increasing effectiveness of ATO's internal complaints process.

Systemic issues

Complaints about APS agencies continue to raise common themes. Following an established trend, the majority (58%) of the complaint issues finalised by the Ombudsman's office under the *Ombudsman Act 1976* this year related to the correctness or propriety of a decision or action of an agency. The remainder of the complaint issues finalised were about procedural matters, such as the accuracy or completeness of advice given by agencies (10%), the timeliness of agency action (8%), the application of a policy to the complainant's circumstances (6%), or the conduct of officers in agencies (5%).

Many complainants are concerned about agency decisions that directly affect them, and complain that they have not been given sufficient reasons for the decision or that a decision is flawed. Investigation of such complaints is often complicated due to poor record keeping by agencies or failure to record oral advice. This latter issue is of particular importance given the widespread use of customer contact centres to respond to queries in large service delivery agencies. Complaints about call centres arise particularly in relation to Centrelink, CSA and ATO.

Alleged defects in agency administration lay behind many complaints, but not all, to the Ombudsman. Many complaints stemmed from the complexity of legislation and administrative schemes, especially when applied to the different circumstances of thousands of government clients. The changing face of government, as programmes and structures evolved to deal with new social challenges, also gave rise to unexpected problems. Sometimes, government agencies were slow to adapt to unanticipated issues, did not communicate effectively with clients, or failed to recognise the administrative burden that government requirements can impose on people.

Freedom of information

In March 2006, the Ombudsman released a report titled *Scrutinising Government: Administration of the Freedom of Information Act 1982 in Australian Government Agencies*. The report examined freedom of information (FOI) administration by undertaking a case study analysis of how FOI requests were handled in 22 Australian Government agencies. Some major problem areas were identified, including excessive delays in processing FOI requests, a lack of consistency among agencies in acknowledging FOI requests in a timely manner, delay in notifying charges and inconsistencies in their application, and variable quality in the standard of decision letters, particularly regarding the explanation of why documents were exempted from access.

The report also acknowledged that there was a clear commitment to FOI in some agencies, and a high degree of compliance with the spirit and detailed requirements of the FOI Act. Drawing from these examples of good and bad practice, the report set out guidelines for achieving better FOI practice. These include clear procedures on FOI processing, close monitoring of incoming correspondence, quality control of FOI correspondence, and open communication between the agency and FOI applicants.

Two findings stand out: there is an uneven culture of support for FOI among Australian Government agencies; and the vitality and success of the FOI scheme depend heavily on the way the FOI Act is administered within agencies. The report recommended that agency heads indicate a clear commitment to sound FOI practice and the objectives of the FOI Act, having regard to the kinds of good and bad practice identified in the Ombudsman's report.

New Ombudsman role

During 2005–06, the Office of the Commonwealth Ombudsman acquired some new functions and titles. Most relevant to the APS, the Office was designated as the Immigration Ombudsman, in relation to immigration matters, including immigration detention. A new statutory role of the Ombudsman is to provide a report to the Minister for Immigration and Multicultural Affairs that is to be tabled in Parliament in relation to each person who has been in immigration detention for two years or more (cumulative); a further report is provided at six-monthly intervals if a person remains in detention. The Government also asked the Ombudsman to investigate 248 individual cases of people who had been held in immigration detention but later released on the basis that continued detention had not been authorised.

Private contractors

Under changes made to the *Ombudsman Act 1976* in December 2005, the Ombudsman has jurisdiction to investigate the actions of ‘Commonwealth service providers’ as if those actions had been made by the relevant department or authority. A Commonwealth service provider is a contractor or subcontractor that provides goods or services for, or on behalf of, an Australian Government agency, to a person other than an agency.

This extended jurisdiction of the Ombudsman is relevant to immigration oversight, as a private company under contract from the Government undertakes the administration of immigration detention centres.

The extended jurisdiction will also be relevant to the Welfare to Work initiatives, implemented in July 2006, that draw together a number of Australian Government agencies as well as contracted service providers. A large proportion of elements of Welfare to Work will be delivered by community-based agencies such as Job Network providers, job capacity assessors, financial case managers and welfare agencies. These agencies will make decisions and recommendations that will affect the lives of people claiming income support payments. The complexity of the process of complaint investigation by the Ombudsman is expected to increase because of the significant role played by non-government agencies.

Working with external stakeholders

In its activities as a policy maker and also as a provider or deliverer of services and regulator, APS agencies and their employees work with external stakeholders in a variety of contexts. These can range from consultation to active collaboration. Increasingly, the APS is delivering government programmes with and through a range of non-Australian Government bodies. This trend to ‘distributed government’ is a worldwide one. It happens in a variety of ways from outsourced service provision to partnering agreements.

In this environment, the ability to work with partners and/or external stakeholders, irrespective of whether they are from other Australian Government agencies, the community, business, states and territories, or local government is critical. Consequently, the skills and capabilities of APS employees, as well as the policies and protocols employed by agencies to assist in their dealings with external stakeholders, have had to adapt to meet this aspect of APS work.

Agency consultation with external stakeholders

Consultation with external stakeholders can have a positive impact on government policies, programmes and regulation. As *Connecting Government* pointed out, a targeted approach which identifies areas where greater consultation and communication would be appropriate is likely to be most effective.¹¹

The agency survey indicates that formal consultations on the development of government policy and government regulation,¹² and in relation to programme delivery, are widespread across agencies.

¹¹ Management Advisory Committee 2004, *Connecting Government: Whole of Government Responses to Australia's Priority Challenges*, Commonwealth of Australia, Canberra.

¹² Government regulators in all APS agencies are required to confer with the Office of Regulation Review on the requirement for a regulation impact statement (RIS) for proposals of a regulatory nature. Consultation on a proposal and alternative options should occur when a course of regulatory action is being considered and should occur as widely as possible but at the least, should include those most likely to be affected by the regulatory action.

Agencies were asked how often they consulted with the following groups: non-government organisations, industry stakeholders, tertiary education and research groups, agencies from state/territory and/or local governments, unions and members of the public about the development of government policy, programme delivery and government regulation. For each option, agencies could respond *usually*, *sometimes*, *no*, or *not applicable*.

In interpreting the survey results it is important to note that relatively high proportions of agencies identified these questions as *not applicable*. Thirty-five per cent indicated that formal consultation was *not applicable* in relation to the development of government policy. Forty-three per cent indicated that consultation was *not applicable* in regard to government regulation and 15% indicated that consultation was *not applicable* in relation to programme delivery. The reasons why agencies responded that consultation was not applicable has not been explored. However, it is likely that it is related to the nature of the agencies' business. For example, agencies concerned primarily with programme/service delivery tend to consult about programme delivery but not about government policy.

Consistent with last year's results, the survey results show that around two-thirds (62%) of all agencies *usually* or *sometimes* consulted with one or more of the specified groups about the development of government policy, and nearly half (45%) consulted five or more groups. The former figure (one or more specified groups) increases to 96% when only agencies that described consultation as applicable are considered.

Consistent with last year's results, programme delivery appears to trigger greater consultation than policy development, with 85% of all agencies, and all relevant agencies, indicating that they usually or sometimes consult one or more of the specified groups on this issue. Around two-thirds (64%) of all agencies consulted five or more groups.

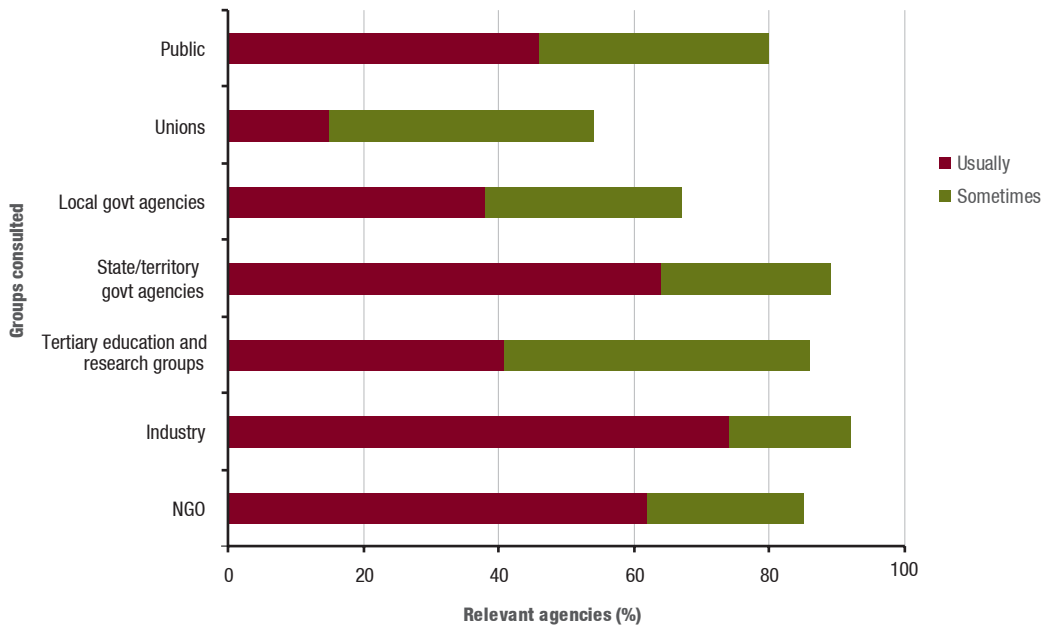
The use of consultation in the making of government regulation is similar to that for the development of government policy. Fifty-six per cent of all agencies usually or sometimes consulted with one or more of the specified groups about government regulation, and 37% of these agencies consulted five or more groups. The former figure (one or more specified groups) increases to 98% when only agencies that described consultation as applicable are considered.

As was the case in 2004–05, 'industry stakeholders' were the key group *usually* consulted by relevant agencies for the development of government policy, the delivery of government programmes and government regulation (see Figures 11.4, 11.5 and 11.6).

State/territory government agencies were the second key group *usually* or *sometimes* consulted by relevant agencies in the development of government policy, the delivery of government programmes and government regulation.

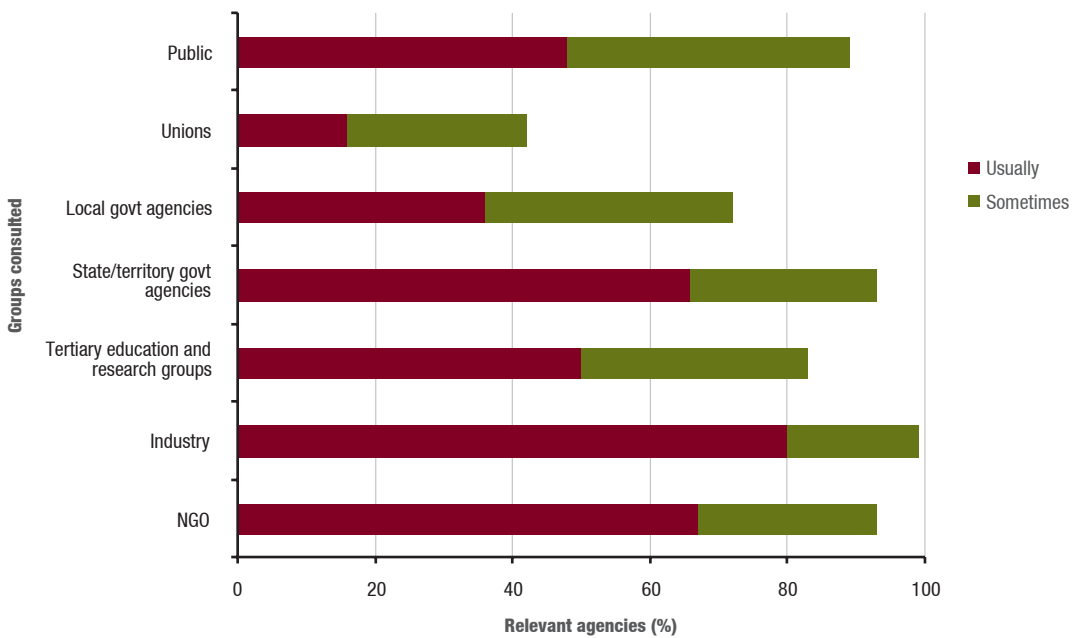
Members of the public are also widely consulted for all three types of activities, but they are less likely to be *usually* consulted and more likely to be *sometimes* consulted. The proportion of agencies *usually* consulting the public about regulation was lower than for the other two types of consultation. NGOs also figure prominently for all three types of consultation. Unions were the least consulted group.

Figure 11.4: Formal consultation with stakeholders on government policy development, 2005–06



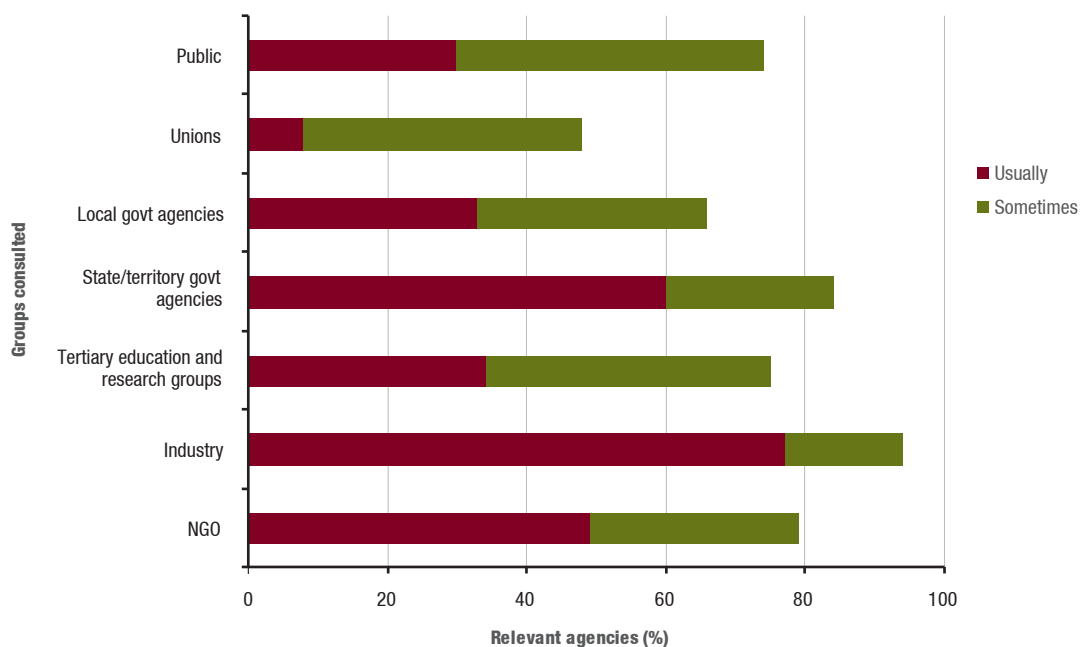
Source: Agency survey

Figure 11.5: Formal consultation with stakeholders on government programme development, 2005–06



Source: Agency survey

Figure 11.6: Formal consultation with stakeholders on government regulation, 2005–06



Source: Agency survey

Across all three areas (policy, programme and regulation), the agency survey results show that large agencies were more likely than medium and small agencies to consult with more than one group, and more likely to consult with a wider variety of groups. Examples of consultation processes undertaken by relevant agencies include:

- DAFF’s establishment of a Drought Stakeholder Reference Group, under the direction of the Primary Industries Ministerial Council, as a means for seeking input on the drought and exceptional circumstances policy and assistance measures
- DFAT’s Asia-Pacific Partnership on Clean Development and Climate (AP6), which supports the engagement of industry and represents a new model for public-private sector collaboration. It has already influenced international debate towards a greater focus on technological responses and practical action involving the private sector as an integral partner in addressing climate change.

Employee dealings with external stakeholders

The majority of APS employees have some form of direct contact with people from different levels of government or external stakeholders (excluding the public); more than three-quarters of respondents to the employee survey indicated that their jobs had required such dealings. Table 11.2 shows that the majority dealt with other Commonwealth agencies, and around one-third dealt directly with state/territory agencies, industry stakeholders and other contractors or consultants. Of the external stakeholders listed, unions were the group with which employees had the least dealings.

Table 11.2: Proportion of employees who deal directly with external stakeholders, 2005–06

During the last 12 months, did your job require you to deal directly with people from any of the following levels of government or other external stakeholders?	Yes (%)
Commonwealth agencies	59
State/territory agencies	33
Local government agencies	19
Groups representing communities	23
Other non-government organisations	17
Industry stakeholders	35
Tertiary education and/or research groups	19
Unions	8
Outsourced service providers	21
Other contractors or consultants	31
Other	2
None of the above	24

Source: Employee survey

Employees from small agencies were more likely to deal with Australian Government agencies, state/territory agencies, industry stakeholders and other contractors or consultants than employees from medium or large agencies.

Employees in the ACT were more likely to have direct dealings with other Commonwealth agencies, state/territory agencies, industry stakeholders and other contractors or consultants. Those located outside the ACT were more likely to have direct dealings with local government agencies and groups representing the community.

Not surprisingly, there is a strong relationship between classification and the extent to which employees' jobs require them to have direct dealings with external stakeholders. This relationship holds for all groups of external stakeholders, except for dealings with local government agencies. Whereas 28% of APS 1–6 employees indicated that their job did not require them to deal directly with any of the external stakeholders listed, this was the case for only 13% of EL employees and 1% of SES employees.

The following sample of employee comments highlights the value of, and issues associated with, consultation with external stakeholders (comments are not necessarily representative).

Effective communication is the key. The stakeholders need to know they are being involved because you value their input—not just because it's required. If consultation is for forms sake, it won't be effective and your relationships will be damaged.

I think people from within government understand each other, but it's so hard to deal with people externally (e.g. NGOs), who don't understand why/that you can't be more helpful when faced with a perfectly reasonable position.

Early and effective consultation with industry on matters that affect them needs to be the rule into the future. On the other hand, the APS must not be too influenced by undue corporate influence.

Having a clear idea of what is a realistically achievable outcome from a project or programme and not building up false expectations can help in building stronger stakeholder relationships.

I believe this office has an open and cooperative relationship with external stakeholders and think we are regarded in a positive light in this community.

In 2005–06, DCITA developed the arrangements that required public consultation and constructive interaction between DCITA, ACCC and Telstra. The resulting operational separation framework represents an innovative and proportionate response to a policy problem. It is designed to achieve the same benefits as more interventionist regulatory options, but at a significantly lower level of cost and disruption.

ATO continued to make it easier for people to comply with their tax obligations through education and assistance, including through focussing on those who do not want to comply.

Extent of involvement with external stakeholders

APS employees interact with external stakeholders in a variety of ways, from consultation to active partnerships. In 2006, both agencies and employees were asked about the nature and extent of their involvement with external stakeholders. The survey results for agencies are presented in Table 11.3 and for employees in Table 11.4.

Not surprisingly, the agency survey results revealed that most agencies are involved in working with external stakeholders in a range of ways to various degrees. The most common type of involvement was attending meetings with stakeholders to hear their views with almost all agencies indicating that they *often* or *sometimes* undertook this type of activity. The second most common type of involvement, which was also widespread, was manag(ing) contracts, projects and/or programmes in partnership with those stakeholders.

In relation to the other activities identified, almost three-quarters of agencies indicated that they *often* or *sometimes* undertook these activities.

Table 11.3: Agency involvement with external stakeholders, 2005–06

Activity	Often (%)	Sometimes (%)	Rarely (%)	Never (%)	Not applicable (%)
Attend meetings with stakeholders to hear their views	79	17	1	0	4
Negotiate with stakeholders to develop mutually agreed policy positions	51	23	6	1	19
Negotiate with stakeholders to develop mutually agreed implementation processes	51	33	4	1	11
Develop and/or clarify roles and responsibilities of all relevant stakeholders in scoping contracts, projects and/or programmes	63	21	5	0	11
Establish agreed stakeholder contract, project and/or programme deliverables with relevant stakeholders	61	25	2	0	12
Manage contracts, projects and/or programmes in partnership with stakeholders	61	26	0	1	12

Source: Agency survey

Almost all large agencies reported high levels of each type of activity. Small and medium agencies also indicate a high level of involvement with external stakeholders, but the overall result was slightly lower.

Employees also indicated a range of involvement with external stakeholders. Involvement was highest in traditional areas of contact such as attending meetings with stakeholders to hear their views or managing contracts, projects and/or programmes. Involvement in areas of active participation such as negotiating with stakeholders to develop mutually agreed policy positions tended to be lower.

Table 11.4: Employees' greatest level of involvement in working with external stakeholders, 2005–06

During the last 12 months, what was your greatest level of involvement in working with external stakeholders?	Yes (%)
Liaising with stakeholders (e.g. arranging meetings, providing and/or collecting information, answering enquiries)	12
Attended meetings with stakeholders to hear their views	25
Negotiated with stakeholders to develop mutually agreed policy positions	12
Developed and/or clarified roles and responsibilities of all relevant stakeholders in scoping contracts, projects and/or programmes	10
Established agreed stakeholder contract, project and/or programme deliverables with relevant stakeholders	9
Managed contracts, projects and/or programmes in partnership with stakeholders	22
Other	11

Source: Employee survey

Framework underpinning the relationship with external stakeholders

Agencies had developed a range of policies and protocols to guide and evaluate interactions with external stakeholders.

The agency survey asked agencies about the use of four types of protocols and policies for dealing with external stakeholders (see Table 11.5). The types of protocols and policies examined here relate to promoting consistent and accurate contract management decisions, safeguarding access to IT systems and protecting sensitive information, measuring and evaluating performance and protecting citizens' interests in projects managed jointly with stakeholders.

The use of agency policies/protocols was widespread amongst agencies. Around one-third of agencies indicated that they had all four formal measures in place. The most common measure in place in agencies was a policy/protocol to safeguard access to IT systems and protect private and commercially sensitive information. Employees who had contact with external stakeholders also saw this as a widespread process. Nearly three-quarters agreed that when working with stakeholders, processes are put in place to safeguard access to IT systems and protect private and commercially sensitive information.

Three-quarters of agencies indicated that they had a policy/protocol in place to promote consistent and accurate contract management decisions by staff and measure and evaluate overall performance. Employee results were generally consistent, with more than half of relevant employees agreeing that their agency promoted consistent and accurate contract management decisions by employees and that when working with stakeholders, processes are put in place to measure and evaluate the overall performance.

The use of policies/protocols in place to protect citizens' interests in projects managed jointly with stakeholders was less common. It should be noted, of course, that agencies may protect citizens' interests via mechanisms other than formal policies and procedures, for example, the inclusion of clauses in contracts. The use of such mechanisms may in part explain employees' positive views that citizens are, in fact, protected. Nearly two-thirds of relevant employees indicated that they were confident that citizens' interests are protected in projects managed jointly with stakeholders.

More than one-third of agencies indicated that policies/protocols to protect citizens' interests in projects managed jointly with stakeholders were not applicable to them. In some cases, it is not clear why agencies have indicated that such policies/protocols are not applicable to them, particularly as it would appear that at least some of the agencies that did so have managed projects where external stakeholders have delivered services to citizens. It may be that citizens' interests are explicitly protected in the terms of contracts (service standards or formal appeal mechanisms, for example), and therefore policies/protocols to protect citizens' interests were considered unnecessary. This issue will be explored further in 2007.

Table 11.5: Composite of agency and employee survey results for agency protocols/policies for dealing with external stakeholders, 2005–06

Agency policy/protocol or action	Agency survey				Employee survey		
	Yes (%)	Being developed (%)	No (%)	Not applicable (%)	Agree (%)	Neither agree nor disagree (%)	Disagree (%)
Promoting consistent and accurate contract management decisions by staff	75	10	8	7	54	19	6
Safeguard access to IT systems and protect private and commercially sensitive information	88	5	2	5	72	14	3
Measure and evaluate overall performance (e.g. outcomes, value for money)	75	8	10	7	53	21	8
Protecting citizen's interests in projects managed jointly with stakeholders	44	6	14	36	64	17	5

Source: Agency and employee surveys

Employees were generally very positive about the way relationships with external stakeholders were handled in their agency, as outlined in Table 11.6. This is a very encouraging result.

Employees' level of agreement with the statements about the arrangements their agencies have in place for working with external stakeholders ranged from 52% (my agency devotes adequate resources to ensure it can meet its responsibilities to stakeholders) to 72% (when working with stakeholders, processes are put in place to safeguard access to IT systems and protect private and commercially sensitive information). Rates of disagreement were generally low, with, in every case, a larger proportion of respondents choosing to neither agree nor disagree.

Table 11.6: Relevant employee views on working with external stakeholders, 2005–06

Please rate your level of agreement with the following statements taking into account your experience working with external stakeholders during the last 12 months.	Agree (%)	Neither agree nor disagree (%)	Disagree (%)
My agency promotes consistent and accurate contract management decisions by staff	54	19	6
The roles and responsibilities of stakeholders in contracts, projects, and/or programmes are clearly outlined and understood.	54	20	8
Decisions relevant to the stakeholder relationship are shared and mutually agreed	55	23	7
I receive appropriate training and/or have access to information that enables me to meet my responsibilities working with stakeholders	60	22	12
My agency builds internal teams who have the skills, knowledge and ability to collaborate effectively with stakeholders	59	21	11
My agency devotes adequate resources to ensure it can meet its responsibilities to stakeholders	52	24	13

When working with stakeholders, processes are put in place to safeguard access to IT systems and protect private and commercially sensitive information	72	14	3
When working with stakeholders, processes are put in place to measure and evaluate the overall performance (e.g. outcomes, value for money)	53	21	8
I am confident that citizen's interests are protected in projects managed jointly with stakeholders	64	17	5

Source: Employee survey

Some employee comments supported the need for a framework to underpin the relationship with external stakeholders (comments are not necessarily representative).

Successful relationships with external stakeholders are founded on trust, shared understanding and appreciation of common objectives. However, a legal framework via MOUs or contractual agreements that clarify goals and performance standards is often necessary to ensure that the Commonwealth achieves value for money for services and activities it supports that are carried out by external stakeholders.

I run a program that uses funding from my agency. Most of these funds go to external agencies. There are little in the way of safeguards and performance monitoring. This is a major flaw.

Employees whose jobs required them to deal directly with external stakeholders were also highly confident that they are able to balance the APS Values of being fair and effective, impartial and courteous in delivering services to the Australian public, and responsive to the Government. Ninety-three per cent of relevant respondents to the employee survey had high (72%) or moderate (21%) levels of confidence that they could balance these values and only 3% had low levels of confidence. SES employees were more likely to have high levels of confidence. When high and moderate levels of confidence are combined the gap between classification groups is substantially narrowed.

The proportion of respondents who reported a high level of confidence among large agencies ranged from 61% to 90%. When high and moderate levels of confidence are combined, the level of confidence ranged from 90% to 99%.

Employees whose jobs required them to deal directly with external stakeholders were also asked if they had faced a challenge in the previous 12 months in balancing the need to be fair and effective, impartial and courteous in delivering services to the Australian public, and responsive to the Government. Around one-third of relevant employees indicated that they had faced such a challenge. More than half (55%) indicated that they had not and 10% were not sure. SES employees were most likely (42%) to have faced a challenge in the previous 12 months. The proportion of employees from large agencies who reported having faced a challenge in the previous 12 months ranged from 18% to 55%.

Engaging with the community

Working with the community is central to the business of the APS. Effective service delivery will always be a key part of how we measure our success in this area. Increasingly, the effectiveness of our consultation and the way we work with external stakeholders are also critical.

In Australia and internationally, attention is now turning to areas where a more active engagement with the community can benefit the Government in achieving successful outcomes. The extent to which involvement is appropriate will depend on the nature of the issue, but is likely to be most beneficial in areas where the APS is dealing with complex and seemingly intractable problems—in areas such as water, public health and Indigenous policy.

In its 2001 report, *Citizens as Partners: Information, Consultation and Public Participation in Policy-Making*, the OECD described a range of concrete measures and principles for strengthening the relationship between governments and their citizens. The report outlines three levels of citizen involvement in policy-making:

- information—a one-way relationship, where governments produce and disseminate information to citizens
- consultation—a two-way relationship where citizens provide feedback to government
- active participation—a relationship based on partnership with government, where citizens engage in defining the policy content and process.¹³

The Government Communication Network in the UK has launched 'Engage', a programme to enable greater involvement by the public in the policy development process. The Engage framework will allow the Government to better utilise and adapt well-tried principles and techniques of strategic communication in its efforts to change community attitudes towards policy-making. Engage is supported by:

- a knowledge bank which provides the community with a practical set of principles, tools, case studies and training materials to create more 'engaging' communication
- a programme of events, training and development courses to assist the public in making the most of these materials
- a leadership and engagement programme that supplies a context in which government communications can best foster community participation in policy-making.

Engaging the community at each of these levels is appropriate in different contexts, depending on what agencies are seeking to achieve, and taking into account the resources available and the likely impact on outcomes.

The potential benefits are significant. Engaging the community more directly can provide governments with access to broader perspectives and potential solutions and, ultimately, better decisions. It can be particularly effective when the policy objective is to influence community behaviour.

There are, however, also risks associated with involving the community in policy-making, or even in seeking their feedback. Encouraging community participation, for example, where the outcome seems to have been predetermined or where input is perceived to have not been heard or ignored, may in fact do more harm than good.

To make the most of this aspect of its activities, the APS needs to build its capacity to effectively and successfully engage the Australian community. This will include recruiting for and developing strong relationship management skills, the willingness and ability to listen to the views of others, and conflict resolution and negotiation skills.

There have already been significant achievements in this area in the APS, for example, the development of Shared Responsibility Agreements (SRAs) and Regional Partnership Agreements (RPAs) with Indigenous communities. These agreements are an important part of the Government's new approach in addressing Indigenous disadvantage.

¹³ OECD 2001, *Citizens as Partners: Information, Consultation and Public Participation in Policy-Making*, <<http://www.oecd.org>>

Shared Responsibility Agreements are developed voluntarily between the Government and Indigenous communities, and can also involve state, territory and local governments, the private sector and philanthropic organisations. In return for discretionary benefits from the Government, communities make specific commitments to achieve their identified goals. These agreements are driven by the community—it is the community that decides the issues or priorities it wants to address, how it would like to address them, and what it will do in return for government investment. The agreements also outline accountabilities and set out what families, communities, governments and other partners will contribute to address local priorities and the outcomes to be achieved. There are currently over 150 SRAs in operation across Australia.

Regional Partnership Agreements are also an important element in engaging with Indigenous communities. These agreements are broader in their application than SRAs and target government interventions across a whole region. Regional Partnership Agreements are in their infancy, with the first RPA signed by the Ngaanyatjarra Council and the Australian and Western Australian Governments and the Shire of Ngaanyatjarraku in August 2005. Through the RPA, the governments, the Council and the Ngaanyatjarra people are committed to working together to improve services, reduce red tape and develop an investment plan for the area. As part of the RPA, three SRAs have been signed with communities in the Ngaanyatjarra Lands.

APS agencies are likely to be increasingly looking at where they can use more direct community engagement to add value. Almost half (47%) of APS employees already agree that their agency encourages the public to participate in shaping and administering policy. Other employees were more likely to neither agree nor disagree (27%) than to disagree (16%), with 10% not sure. From the employee perspective, however, there is room to improve how agencies are perceived by the public. Only 44% of employees agreed that their agency had earned a high level of public trust. This is an area which agencies may need to address if active engagement with the community is to deliver high-quality outcomes.

Key chapter findings

Delivering services to the public remains one of the key forms of interaction and engagement with the Australian community, and is an area where the APS appears to perform well. Generally, employees involved in service delivery reported high levels of satisfaction and capability. They were very positive about the impact of their workplace practices on service delivery, including in relation to the professionalism of employees involved in service delivery, and the degree to which confidentiality is taken seriously. In addition, most believe employees in their workplace are committed to providing excellent customer service and there has also been an improvement in employee perceptions about coordination between agencies.

Agencies are focusing on the use of mechanisms to measure agency performance. In the area of service delivery there has been an increased use of service standards and performance indicators to measure the quality of services provided to the public. There has also been widespread use of feedback mechanisms, and information collected through these mechanisms feeds directly into the improvement of service delivery. The increasing uptake of e-government and high overall satisfaction levels among users is another positive indicator.

Agencies' overall commitment to the provision of quality services appears to be paying off. A range of key service delivery agencies report high levels of service user satisfaction.

Not surprisingly, however, there are still areas where the APS needs to improve. Information provided by the Ombudsman suggests that agencies need to focus on improving the quality and the transparency of their decisions, including through better record keeping. AGIMO has also pointed to the need to ensure that an increasing reliance on e-government does not reduce access to services for some groups in the community.

Consultation in the making of policy and programme decisions continues to be widespread among APS agencies and, in a positive development, has become more widespread in the area of government regulation. Nevertheless, there is the potential for agencies to increase the extent to which they consult directly with the public in a targeted way.

Reflecting the trend to 'distributed government', whether it be through outsourced service provision or partnering agreements, APS employees report widespread interaction with external stakeholders. Most dealings currently are by way of consultation or contract management rather than active partnership.

Agencies have a range of protocols and policies in place for dealing with external stakeholders, although there is potential for agencies to develop more protocols and policies around the protection of citizens' interests. That said, employees were generally very positive about the way relations with stakeholders were handled in their agencies, including in relation to the protection of citizens' interests.

In Australia and internationally, governments are increasingly looking at ways in which working more directly with the community can contribute to better policy and programme outcomes. Engaging the community comprehends a range of approaches and has the potential not only to provide governments with access to broader perspectives and potential solutions, but to influence community behaviour. Nevertheless, it needs to be undertaken in a strategic way, at appropriate points in the policy cycle, and in areas where it has been identified as having the potential to add value.

Of course, for some agencies engaging in this way is a new form of operating and brings with it a range of governance and capability challenges. Nevertheless, it is increasingly likely that active participation and engagement of citizens will be needed in areas such as employment, health, crime, education, environment, transport and the economy. This aspect of working with the Australian community will be examined in more detail by the Commission over the next year.