

Public Sector Reform

Delivering exceptional outcomes for Victorians



Foreword

Putting people first

This Government is committed to improving the lives of Victorians. Public sector reform is about making sure we can deliver on this promise to the 5.8 million Victorians who depend on our Government for vital public services.

The public sector is made up of the people who comprise our Government: who deliver education, health and transport services to Victorians, who keep our communities safe and our environment healthy, and who develop policies to solve our most complex social problems. They are the nurses, teachers, police and others providing frontline services that make our lives better, and the departmental staff who support this work.

As Special Minister of State responsible for public administration, I want each of these people to feel that their work is valued and that their contributions matter.

I am passionate about building a public sector that is empowered to be more open, results-orientated and collaborative, that uses the latest technology and insights from smart data. I want the public sector to be an employer of choice, attracting the State's best and brightest to make a difference to our community. I genuinely believe that our people make a fundamental difference in helping Victorians achieve great things in their lives.

Victorians deserve a State Government that delivers to the highest standards and that is marked on its ability to achieve results. A Government that can be trusted. A Government that has the vision to see where major reforms are necessary and the capability to see these reforms through.

The public sector reforms in this paper set out a new way of thinking about how government works, all the way from strategy to service delivery. They set out the Government's ambition and approach, focusing initially on mobilising public servants to try new approaches to solve entrenched problems and deliver more effective services.

This statement sets out the challenges and opportunities that currently exist in the Victorian public sector. These opportunities will only be realised by working collaboratively (between ourselves and with the whole community), with a shared sense of vision, and a commitment to delivering outstanding services.

This is just the beginning – the first step in creating a shared culture and an ongoing expectation of reform to improve the lives of Victorians.

I look forward to working with all of you in realising this opportunity.

Gavin Jennings, MLC
Special Minister of State

For more information go to vic.gov.au/publicsectorreform

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Context

The Victorian Public Sector plays an integral role in the everyday lives of all Victorians. It provides essential services, builds vital infrastructure and regulates to improve outcomes.

Victoria's public sector consistently delivers to educate Victorian children, care for the ill, and make our communities safe. It is an integral part of what makes Victoria a great place to live.

But the public sector must continue to adapt to changing demands and expectations, and seize opportunities to improve.

The case for change

The public sector faces enormous challenges. It needs to help solve complex policy problems, like social disadvantage, economic restructuring, climate change or meeting tomorrow's infrastructure needs. These issues reflect an uncertain external environment facing broad demographic, economic, security and environmental shifts.

Many of our responses remain siloed around departmental or portfolio lines, instead of being joined-up across government on solving a particular issue. Our performance measures are often based on meeting outputs, rather than on making life better for Victorians.

Recognising that the existing approach isn't working, Government has begun joining up its approach, and integrating its services in areas such as:

- the family violence response
- youth disengagement and alienation.

In these cases, sticking to status quo is no longer an option.

Victorians are expecting higher quality, more timely and individualised services. Digital media and technology are changing how they expect to interact and engage with government. The sector also needs to adapt because public services are increasingly being delivered by organisations outside government.

Government must also adapt. Over the past three decades, the extent to which Government relies on outside organisations has shifted, requiring new ways of working and managing service providers to meet the individual needs of our citizens.

People are at the heart of the public sector. But the public sector has

been slow to build the capability it needs to meet future challenges. Changing capability needs have created skill gaps.

Finally, recent IBAC inquiries into serious corruption by a small group of public officials have affected public trust in the sector. This has sparked a renewed debate on public sector values and how to strengthen systems of integrity.

Victoria needs to work hard and keep up as other Australian and international jurisdictions find new ways to engage, use technology and build capability. Government needs to engage more openly and collaboratively across the tiers of Government, and with service partners, so that organisations with a shared purpose can learn from each other, share information, and complement each other's efforts.

The initiatives set out in this statement, along with others currently underway across government, will help to build the momentum of public sector reform across government. Over time, this new way of working and thinking will generate further ideas for innovation and opportunities for improvement.



John Palermo photography

The opportunity

The public sector can do better for Victoria.

The Government has a renewed focus on reform and innovation. It is thinking beyond the narrow constructs of efficiency, service reduction and outsourcing, and is building an agenda that transforms how the public sector does business.

To achieve lasting change, the public sector must support its people. Public sector leaders need to boost the professional self-confidence of public sector employees. Public servants must be supported and empowered – ready to face complex and daunting challenges head on. A results-driven culture that fosters innovation will help to attract and retain the best and the brightest, realising the Government's commitment to be an employer of choice.

The public purpose sector (all who are committed to creating public value, including community organisations, academics and experts, and private firms) are united by this aspiration. These groups have a wealth of expertise in analysing problems and delivering services, and are critical to the development of new solutions to entrenched problems.

The potential benefits of co-design with citizens are great. Working with the community is also an effective way to meet their needs and build trust. Engagement with the community reminds policy makers to design services based around citizens, not government structures.

Capturing the benefits from these opportunities will require collaborative effort across government, working in partnership with those that deliver services to give life to public sector reform.

The road ahead

Public sector reform in Victoria is not new. The sector has continued to evolve through different approaches. These different approaches highlight both the challenges and opportunities that public sector reform creates. In the 2000s, the 'Public Value' approach saw improvements to the quality and effectiveness of government, with a particular focus on service delivery.

The Government is committed to continuing this improvement journey and to re-invigorate the next phase of reform. Future efforts will be united around a clear strategy to deliver better services for the Victorian community.

This will start with a re-focus across government on what it wants to achieve – better **outcomes** for Victorians, and how it can achieve this – through enabling **systems** and supporting our **people**, all of which contribute to being more **accountable** to the community for the results we achieve.

While these approaches sound intuitive, and there are many examples of good practice, realising the ambition across government will be an enormous task. In some cases it will mean departing from systems and practices that have been in place for many years.

Fortunately, there has already been significant progress. Government has implemented several key reforms aimed at improving accountability to the community.

Initiatives underway include strengthening the culture of integrity (through the leadership of the Victorian Secretaries Board, and the Victorian Public Sector Commission). Recent legislative changes have meant greater transparency over reporting on key performance data and government spending on advertising. The Government has consolidated accountability by enhancing the powers of the Auditor General, including 'follow the dollar' powers and IBAC. There is also significant

progress being made to modernise the way the public sector engages with citizens, and how it uses and shares information, data and technology.

A renewed focus on public sector reform allows these initiatives to be pulled together towards a common goal and broader reform framework, with clear priorities and approaches.

By ensuring our sector is as effective as it can be (based around people, systems, outcomes, and accountability), Victorians can be confident that the Victorian Government is building a public sector that delivers better results for them.

Growing public trust will in turn enhance the success of any reform that relies on greater citizen participation, and embracing new approaches to complex problems.

Public sector reform in Victoria

Vision

A public sector that delivers exceptional outcomes for Victorians.

Approach

To achieve this, reforms to the public sector will focus on:

people – empowering a capable and collaborative workforce

systems – designing integrated systems to solve problems

outcomes – focusing on what matters and getting it done

accountability – holding ourselves to a higher standard and building trust in our institutions.

The reforms will empower everyone working in, or with, the Victorian Government to adopt new, innovative ways of working.

Together, the Government and the public purpose sector will expand the benefits for citizens by ensuring everyone is working towards achieving better outcomes for Victorians.

Figure 1. A framework for public sector reforms





People



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Context

People have always been at the heart of public service. People are both the audience and clients of the services, and people are the public sector's greatest organisational asset. But as the role of government evolves, and as the expectations of citizens grows, the skills required of our people are changing.

In the past, Victoria has been a leader in building public sector capability, but changing needs have created skill gaps. The public sector must ensure it is building up skills in areas where new requirements are emerging.

For example, Government is increasingly a designer, manager and steward of systems, rather than a direct deliverer of services. This means that Government needs more workers who have the skills to create the new system and make it function effectively. Government must also make sure that all service delivery workers have the right skills and capabilities to operate in this new model.

A critical element of this is that all public servants, from policy-makers to service deliverers, need the ability to identify appropriate engagement, and to build partnerships within and outside of government, including with the people who use our services.

In this context, leaders are having to reassess what a fit for purpose workforce looks like, and the skills they need.

These range from technical skills, like coding and data analytics, to general skills, like engagement and co-design, system stewardship and leadership. Government's changing role also highlights a need to cultivate more strategic corporate capabilities (in strategic communications, human resources and talent management, finance and information technology).

Continuing changes to technology, expectations and ways of working has made agility, flexibility and engagement core public sector capabilities.

Perhaps even more importantly, Victoria needs to assemble a more diverse public sector – an environment that is open to new ideas and different perspectives, and reflects the community we serve.

Finally, implicit in these changes is a proactive and targeted strategy to improve the underlying culture of the Victorian public service. Organisational culture in this context is the system of shared assumptions, values and beliefs which govern how people behave in an organisation.

Government needs to create an accountability framework that both sets clear expectations and holds agencies accountable for their respective culture. As a whole, the public service must be respectful,

inclusive and honest. A healthy workplace culture will always be the foundation on which sustainable and ongoing reform is achieved.

Approach

To achieve this, the Victorian Government will:

- build the skills the public sector needs
- identify and drive a workplace culture that supports service delivery and accountability.

The Victorian Government's goal is to be an employer of choice, with a reputation for excellence.

Today's public sector workforce will be integral in driving this change. They will be the foundation on which to build a high-quality and fit-for-purpose workforce.

Current strategies

Building the skills the public sector needs

The Victorian Government is committed to equipping our people with the skills required of a modern public service.

Increasingly, more information is being shared between agencies, more services are being delivered online, and more public sector work is being digitised. The public sector needs to be able to build clever and intuitive tools to operate in a digital environment. By investing in coding skills, the public sector will be able to develop software, apps and websites that meet the needs

Build a modern, fit-for-purpose workforce and a strong workplace culture, recognising that people are the public sector's greatest organisational asset.

of the Government and its citizens. Supporting staff with confidence in the legislation and privacy frameworks which apply will also be critical.

The recently launched **Code for Victoria Innovation Challenge** embeds civic-minded technologists, designers and community organisers in selected departments and agencies for six months. The program will build internal technical and innovation capability and improve delivery of government services.

An **ICT workforce development plan** is currently being created, which will increase the capability of government employees to implement ICT solutions that are innovative, contemporary and beneficial.

The Victorian Government is also enhancing its analytics capability through the establishment of a new **centre for data analytics**. Analytics will generate insights that can be used to design better and more evidence-based policy.

The **Office of Projects Victoria** (OPV) will also have a role in building the capabilities required of a modern public service. Part of OPV's role will be to improve project management expertise and delivery capability, and build the number of world class project leaders in government.

To ensure that all service workers operating in integrated service

systems have the right skills and capabilities, Government is **aligning professional development and peer support** for allied health and community service practitioners across the health, human services, education and justice sectors.

Engagement and co-design are critical to building citizen-centric services. The Department of Health and Human Services is **training its workforce in co-design** to build capability in this new way of working.

Finally, **leadership** is at the core of any public sector reform strategy. In the context of a rapidly changing external environment, increasing demands for new and improved services and continuing budget challenges, leadership has never been more important in navigating the changes that are essential to improving the public sector. While this leadership needs to operate at every level of the public sector, it is especially important for the senior leaders of Government to demonstrate these skills. All Government agencies need to refocus and rethink how they achieve the goal of recruiting, developing and retaining organisational leaders.

The new **Regional Partnerships** are providing opportunities for emerging senior leaders to demonstrate their abilities in co-design, engagement, and fostering collaboration to drive improvements in local areas across a range of

social and economic issues.

Identify and drive a workplace culture that supports service delivery and accountability

An open and inclusive culture is critical to building a strong workforce and empowering our people to succeed.

A more diverse public sector will be better able to reflect the views of the people it serves. A diverse range of voices will deliver public policy informed by a variety of perspectives.

The Victorian Public Sector Commission (VPSC) is piloting the **Recruit Smarter initiative**, which will address unconscious bias at the recruitment stage by removing personal details such as name, age, and gender when assessing people's job applications.

The Victorian Government is also piloting the **Jobs Victoria Youth Cadetship Scheme**. This initiative will create an alternative entry point into the Victorian Public Service (VPS) for young disadvantaged Victorians who have completed the Youth Employment Scheme (YES) program.

These examples will be complemented by other initiatives supporting diversity across government.

For example, the Victorian public service has ramped up its efforts to address recruitment, retention and progression of Aboriginal Victorians through the VPSC's new **Aboriginal Employment Unit**.



The Government has also committed to ensuring that 50 per cent of new appointments to government paid boards and Victorian Courts are women.

Government will also be working with professional associations, peak bodies and alumni groups to develop a pool of culturally and linguistically diverse candidates.

In addition, all seven departments in the Victorian public service, and Victoria Police, have joined **Pride in Diversity** – Australia’s only national support program for LGBTI workplace inclusion – and are participating in the **Australian Workplace Equality Index**. The index is the definitive national benchmark on LGBTI workplace inclusion. It measures the overall impact of inclusion initiatives on organisational culture.

In response to the Victorian Secretaries Board’s commitment to building positive workplace cultures, a **model anti bullying policy** is under development that would provide a service-wide approach to preventing and responding to workplace bullying.

Finally, a range of initiatives which will support a positive workplace culture are embedded in the new **Victorian Public Service Enterprise Agreement**. These include:

- establishing an advisory group to review and pilot mitigation strategies to reduce bullying
- provision for individual flexible work arrangements to meet the needs of employees and employers
- family violence leave, to improve gender equity in the public service, and increase awareness of family violence in management-level staff.

These steps are the latest in a long series of improvements to increase the diversity of the Victorian public sector. With continued, concerted effort, government can become an environment in which all employees are supported to flourish, and are empowered to deliver better outcomes for Victorians.

Future actions

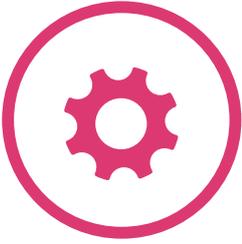
Government will continue to identify emerging skill requirements, and to build up the capability of the public sector in these areas. In addition, the Government will create an accountability framework that sets clear expectations in regards to the culture that should exist in the Victorian public service.

Male Champions of Change

The ‘Male Champions of Change’ initiative unites some of Victoria’s most influential male corporate, government and community leaders to advance gender equality.

This is in response to the growing recognition of the missed opportunity to increase workforce diversity, particularly in senior leadership. Convened by Victorian Equal Opportunity and Human Rights Commission, the group of 20 men work on innovative approaches to ensure women can thrive equally in our communities and workplaces.

There are currently two Victorian Government Secretaries that are founding members of the initiative.



Systems

Context

A large number of systems make our government and our economy tick. The hospital system, our public transport network, and government's IT systems are all examples of systems that government uses.

In many areas, the role of government has changed. The public sector is less often a service deliverer, and more often a system designer or system manager. In a general sense, government is seeing its role through the lens of being a 'system steward'. And that means thinking differently.

At its heart, systems thinking is about viewing the whole system as a way of solving a problem or delivering a service. It is about looking at all of the component parts of a system relevant to achieving a desired outcome, how they relate to each other, and seeing if any patterns emerge.

By encouraging decision-makers to take a system-wide view, and making sure they have the right information to do so, the public sector will be able to achieve greater efficiency and integration across our services and activities, and deliver more joined-up responses to clients of our service systems.

Systems thinking is not a new idea. And it is not new to government. But we need to learn how to harness the flexibility and agility of government to create the right conditions for systems thinking to flourish. Indeed, these structures often reinforced siloed thinking.

The Government is aiming to change this dynamic by actively identifying systems as a focus, and by being more determined in how it establishes governance and accountability frameworks. Incentives for deeper thinking and collaboration will be enhanced.

The Victorian justice system

The Victorian justice system includes policymaking and law reform, policing, courts and tribunals, dispute resolution, penalties and fines, prisons, corrections and parole, legal assistance and victim support.

The department and its business units and agencies deliver services across all areas of the justice system in Victoria. The department focuses on access to justice and fair outcomes, the protection of rights and the rule of law.

Approach

To achieve this, the Victorian Government will:

- create new governance structures to support strategic decision-making at the system-wide level
- embed an integrated approach to service delivery
- improve the quality and use of data, information and evidence across government
- promote innovation to improve services and activities
- implement consistent practices across the public sector to improve flexibility and efficiency.

Designing and maintaining services as part of broader systems will mean services complement each other, share information, and can be co-located.



Make government more integrated and efficient by taking a systems approach to delivering services and infrastructure.

Royal Commission into Family Violence

The Royal Commission into Family Violence highlighted the complex needs of people experiencing family violence, and noted that the system was not set up to respond to multiple and differing needs.

As part of implementing the recommendations, the Government will be setting up Support and Safety Hubs in 17 local areas across Victoria so that Victorians can access a range of coordinated child and family services through a single access point.

This will enable services and police to share the information they need to, and support those with multiple needs to have their issues addressed at the same time, in a timescale and order appropriate to them.

This approach will create a model for integrated service delivery that could then be rolled out more broadly across government.

Current strategies

There are many activities happening across government that support a systems approach to doing business.

New governance structures to support strategic decision making at the system-wide level

Government has created new structures that support system-wide thinking and decision-making.

Infrastructure Victoria will consider the whole of the community's integrated infrastructure needs, not just in transport but in health, education, arts and economic terms.

Land Use Victoria will deliver strategic advice on the most efficient use of Victorian Government land holdings.

Victoria's newly established **Regional Partnerships** will bring a whole-of-government lens to the complex issues facing local communities. They will coordinate public sector activity in each region and actively engage citizens in strategic planning.

These approaches put a new emphasis on strategic and systemic approaches to planning services and infrastructure.

Embedding an integrated approach to service delivery

Government is encouraging more joined up, integrated service delivery across government to ensure clients of our service system have consistently positive interactions as they access our services.

Jobs Victoria will integrate all Victorian employment programs (currently over 30) to make it easy for job seekers to access appropriate services in a timely way.

Service Victoria will transfer hundreds of existing government phone lines and websites into a single gateway so citizens have a quicker, better experience with Government.

New, multidisciplinary **Support and Safety Hubs** are being set up in 17 locations across Victoria to meet the complex needs of people experiencing family violence.

These new initiatives will help to embed an integrated approach to service delivery that operates effectively across portfolios and departments.



John Palermo photography

VicRoads hub@exhibition

From March 2016, workers, students and residents in Melbourne's CBD have benefited from improved access to services through VicRoads' new look digital service centre – hub@exhibition.

The hub has a fresh new design and a focus on digital transactions. Personalised service is being delivered via a concierge, who greets clients upon their arrival and directs them to where they can conduct their business most efficiently, with options including self-service, fast lane or full counter service.

Team members then guide customers through transactions at digital kiosks, equipping them with the knowledge and experience to complete their request online in future should they wish, saving them time and effort in travelling to a customer service centre.

Improving the quality and use of data, information and evidence

Better technology and changing community expectations about convenience and joined-up services create an opportunity to rethink

how government uses and shares data and information, and translates it into evidence to inform government activities.

There are several new initiatives underway to improve collection, access to and use of data and information.

Better and more consistent collection and sharing of data and information will be facilitated through the establishment of a new **centre for data analytics**. The centre will integrate and link data from across government to identify common clients and pathways through the service system. This will help government to make targeted and timely interventions, and will support integrated services. The centre will also use sophisticated data analytics to feed insights back to policy makers and service providers.

New approaches to sharing client information will be developed through the family violence reform process, to streamline service delivery on the ground.

These initiatives will improve our services by delivering a better client experience, and ensuring our services are designed and modified with reference to sound information and evidence about what works.

Open data – Public Transport Victoria

PTV has made a number of its datasets public as part of a commitment to creating open access to information.

In 2015, PTV was able to release its timetable data in the General Transit Feed Specification, or GTFS format. This is a commonly used format around the world.

This release enabled Victoria's public transport data to be integrated into publically available mapping applications, giving Victorians and visitors to the state the ability to plan a journey via these apps.

Users of the service will now be able to find out how to get where they need to go by public transport, and can compare how long that journey would take if using a train, tram or bus, walking, cycling or driving by car.

The data is also being used by other private companies, such as Bing and HERE, in their applications.



Promote innovation to improve services and activities

Public sector innovation is about new (or significantly improved) approaches that generate public value and result in better outcomes for citizens.

The Public Sector Innovation Fund

is a grants program designed to support a culture of innovation in government. It transforms innovative ideas about complex problems into solutions that deliver better outcomes for Victorians.

The Victorian Government is investing in and improving Victoria’s health system to ensure all Victorians get the right care, in the right place, at the right time. **Better Care Victoria** has been established to promote innovation in healthcare reform and to help meet escalating pressures on our health system. It will support sector-led innovation projects, build change capability across the sector, and introduce a knowledge sharing mechanism which will bring Victoria in line with leading practice approaches.

In addition, Government will enhance its use of evidence in policy-making through initiatives like the new **behavioural insights (BI) unit** (based in DPC). Behavioural insights combines psychology,

anthropology and economics to create a better understanding of how behaviour drives decision-making. The BI Unit will work closely with departments and agencies to provide expert support and advice to BI initiatives underway, as well as undertaking flagship projects with departmental partners.

Implementing consistent practices across the public service

Government is encouraging consistent practices across the public sector to improve flexibility and efficiency in the VPS.

The new whole-of-government **Information Technology Strategy 2016–20** will improve the efficiency and agility of the public service by helping employees to become more productive. The strategy envisions employees using familiar and standard systems for everyday corporate processes such as procurement and finance, and document, performance and identity management, no matter their department or location.

A new **digital engagement platform** is being developed to support the Government’s commitment to more frequent and more meaningful conversations with the public. These platforms will be tested in regional Victoria where communities will be

encouraged to highlight their local priorities for action.

Reforms to the **financial management system** are also underway to ensure the Government maximises the benefits from public resources. Current work includes:

- a project to “cost map” the Victorian Government – creating easy-to-read visuals that show where, and how effectively, money is spent
- a review of the budget process to identify improvements that will optimise the quality of proposals and decision making.

Over time, these system improvements and modernisations will help to overcome current limitations to public sector flexibility and responsiveness.

Future actions

Opportunities to take a systems approach arise every day as part of our ordinary work. Government will be looking for ways to take a systems approach to all components of our work, from smaller-scale modernisations and upgrades, to new policy design and implementation.



Outcomes

Context

Good public policy and service delivery must clearly demonstrate its value to the community – it has to make Victorian lives better.

Traditionally, Government has assessed performance by measuring what it does (i.e. counting what gets delivered; acquitting resources expended; documenting what services exist) and not on what has been achieved (i.e. outcomes).

Conventional monitoring and reporting mechanisms tell us, for example, how many children are enrolled at school, or how many police are on our streets, but little about whether the services make a difference to the lives of Victorians.

Taking an outcomes approach puts the focus back on the moral purpose of the public sector – creating a better society. It unifies the public sector around the fundamental values that underpin it: that everyone has an equal voice in our democracy, that discrimination is wrong, that justice is blind, that all children are entitled to a quality education, that long-term unemployment is destructive to a community, that we must leave a clean environment to the next generation, and that the sick should get the health care they need, regardless of means.

It provides Government with a clear picture of what success looks like, and a rigorous and robust mechanism to measure impact – providing a line of sight about what works, what doesn't and why.

Measuring outcomes delivers information, enabling Government to have a more transparent conversation with citizens.

Taking an outcomes approach will enable public servants and the Government to:

- confidently invest in what works and achieve better results for Victorians
- clarify and align key priorities
- provide a clear and unambiguous statement of what success looks like
- try new, innovative approaches based on evidence of what works, scale up activities that deliver good outcomes, and change approaches where its activities are not effective.

Ultimately, an outcomes focus will change everything from high-level strategy, policy and monitoring in departments, to everyday service level interactions. It will drive changes in our systems and processes, and enhancement of workforce capability.

Co-design will be critical. It will help government to identify the outcomes that are important to the community, and to partner with community organisations, academics and experts, private firms and the community to achieve maximum impact.

Reductions in the road toll

The reduction in the road toll since the 1970s is a good example of agencies across government working together to achieve a common outcome.

The Transport Accident Commission, Victoria Police and other government departments and agencies (including VicRoads) have implemented a range of complementary initiatives aimed at reducing the road toll, beginning with mandating the use of seat belts in 1970.

Initiatives have included random breath testing, radar guns and speed cameras, media campaigns, changes to speed limits, infrastructure improvements, roadside drug testing, hoon legislation and the introduction of the graduated licensing system.

Together, these initiatives have resulted in a real reduction in the road toll. In 1970, 1061 people died on Victorian roads, compared to 252 in 2015.

Put citizens at the centre of all government activity by embedding the use of outcomes into strategy, policy, implementation and measuring success.

Scotland Performs

History

Scotland introduced a national outcomes-based performance framework in 2007. A website providing real time public tracking was launched in 2008. The framework was comprehensively reviewed and retained in 2011, and is now being used as the basis of local area and service tracking and performance management.

Intent

The national performance framework is designed to be clear, logical and easy to understand. Replacing a proliferation of competing priorities, it provided a unified vision and quantifiable benchmarks for assessing progress. Open reporting against the framework is intended to transparently account for government performance, and to sharpen the focus of public services on the delivery of Scotland's priorities.

How the framework drives change

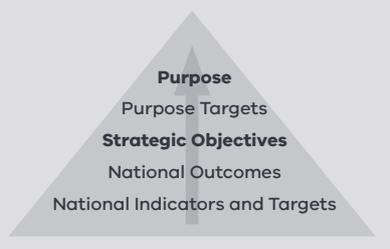
Scotland Performs is designed to link strategic aspiration with operational performance management. A strong statement

of purpose, and eleven purpose targets, outline long-term stretch goals. Strategic objectives and sixteen national outcomes (e.g. we live longer, healthier lives) describe where the Scottish Government will focus effort, and what will be achieved in the short to medium term. National indicators (e.g. improve children's dental health) track progress towards the outcomes, and assess the performance of government.

Achievements

Scotland Performs has achieved:

- a high level of business, citizen and public sector support
- consistent and sustained focus, with purpose targets, strategic objectives and national outcomes retained following review
- improved or maintained performance against the majority of targets and indicators.



Approach

An outcomes approach is central to better government as it has the potential to provide rigorous and transparent reporting of Government investments. The approach to outcomes development in Victoria aims to provide a consistent language and architecture to ensure that Government measures the right things and in the same way. Bringing consistency will promote transparency, improved communication and sharing of information.

To achieve this, the Victorian Government will:

- implement a consistent and coherent architecture for developing an outcomes approach across government
- develop outcomes frameworks across government
- build the capacity across the Victorian Public Service to adopt an outcomes focus
- embed the use of an outcomes approach within and across agencies.



Outcomes can communicate what meaningful success looks like, and provide a unified approach by clearly identifying priorities. Developing outcomes frameworks is a systematic way to bring together the overall purpose and role of an organisation as well as encourage cross portfolio integration.

Once fully adopted, an outcomes approach will ultimately:

- inform public policy through the identification of areas of interest or concern
- inform place-based planning and policy development
- support strategic planning, performance and accountability reporting
- benchmark performance in key areas of government priority
- provide intelligence to facilitate choice for Victorians.

Outcomes frameworks can be used in many different ways, including to:

- measure change and success/failure
- monitor and report

- drive change, and continuously improve and adapt
- integrate service delivery.

Current strategies

Developing outcomes frameworks across government

Departments are now embarking on a process to build outcomes frameworks into their core business decision-making. The Department of Premier and Cabinet is working with departments to develop a consistent architecture and reporting structure in their outcomes frameworks, as well as embedding evidence based decision making to ensure consistent practice across government.

Critical components of the approach being pursued across government include the:

- integration of outcomes across frameworks. This integration will maximise the benefits and generate opportunities for collaboration in cross-portfolio or cross departmental strategic priorities (such as family violence and mental health).

- identification of actors working in the same space to promote complementary and collaborative action
- development of clear and unambiguous statements of the change expected in areas that Victorians care about
- prioritisation of a co-design strategy that encourages flexibility and is appropriate to local circumstances
- providing a focus for sustained effort and enhance accountability.

Embedding an outcomes approach within and across agencies

This will be supported by a range of other activities, including:

- DPC supporting departments to improve the generation and use of high-quality evidence
- the establishment of a centre for data analytics, which will enable data linkage across government, providing evidence of service and intervention effectiveness
- engagement between departments and the community to identify what really matters and what should be counted.



John Palermo photography

Victoria's 10-Year Mental Health Plan

The Andrews Government released Victoria's 10-Year Mental Health Plan (the plan) in November 2015. The plan's goal is that all Victorians experience their best possible health, including mental health.

Fifteen outcomes across four domains were identified to guide efforts to create the best conditions for Victorian's mental health. Progress towards these outcomes will be measured through an annual report on mental health which will be tabled in the Victorian Parliament each year from 2016.

The plan is intended to shed new light on the experience of people with mental illness, presenting outcomes for the whole population and for different groups. These groups will include people of different ages, genders, sexualities, Aboriginality and income. The results will help refine our focus over time and ensure that future investment is made in a coordinated, integrated way so that Victorians can access mental health services in the right place and at the right time.

Future actions

As the first round of reporting commences the outcomes frameworks being implemented within departments and agencies will continue to be refined. International evidence shows that the development of robust outcomes approaches includes the capacity to have a continuous feedback process that promotes a dynamic and responsive review.

The reporting process will also allow opportunities to identify data gaps and develop strategies to improve the quality of measures, data collection and information sharing across government.

As the outcomes approaches become firmly embedded, the development of governance and accountability arrangements will be considered. This will provide clear lines of accountability for the delivery of outcomes.

As reporting data becomes available, it will progressively be publically released to promote transparency with the community. Public reporting is a critical factor of all successful outcomes approaches used nationally and internationally.

Once Victorian public services have developed and tested rigorous measures of core government outcomes, the next step is to set ambitious targets that challenge government and agencies to improve performance. As part of a mature outcomes approach, targets play an important role in clearly identifying the progress that government wants to see, and providing a clear account of whether commitments have been achieved. Initially, targets will focus on the key transformative changes that need to be achieved in Victoria. Over time, it is expected that all programs and services will be held accountable for the impact they are expected to deliver.

Finally, alignment of outcomes to existing reporting and performance measures will commence. This is a necessary step to ensure government and the wider Victorian community has a clear line of sight between the outcomes it expects to be achieved and the investment decisions being made.



Accountability

Context

Governments can succeed or fail based on the public's perception of whether they can be trusted.

Public trust is the key enabler for public sector reform. When government is trusted, it can go further and deliver more fundamental and innovative reforms to deliver the best possible outcomes.

Community expectations about the standards to which government should be held are justifiably high. The Victorian public service has a strong reputation for ethical behaviour, and almost always meets these expectations. However, recently there have been instances where government has failed, and public trust has been eroded.

To build public trust, and a strong culture of accountability, Victoria needs to move beyond a straightforward compliance approach to accountability, transparency and integrity. The Victorian Government should proactively release information and strengthen integrity measures.

Approach

To achieve this, the Victorian Government will:

- expand and strengthen the role of Victoria's key accountability agencies
- lead the development of a culture within the Victorian public service that places integrity at the centre of all activities

- release more information to the public to ensure decision-making is transparent and government is accountable for performance.

Over time, the Government will build strong trust with the public, and across the public sector, reinforced by a positive culture of accountability, transparency and integrity.

Implementation of the Betrayal of Trust recommendations

In April 2012, the Victorian Government initiated a landmark inquiry into the handling of child abuse allegations within religious and other non-government organisations.

The inquiry's final report, *Betrayal of Trust*, was tabled in Parliament on 13 November 2013 and contained 15 recommendations.

The actions to increase accountability, drive cultural change and promote child safety through the implementation of the *Betrayal of Trust* recommendations demonstrates our progress toward higher standards in Victoria.

The Victorian Government is continuing to implement all of the recommendations outlined in the *Betrayal of Trust* report. This includes introducing statutory Child Safe Standards, which embed child safe cultures through improving responses to,

and prevention of, child abuse in all organisations that provide services for children. Victoria is also in the process of introducing a Reportable Conduct Scheme, which will oversee and monitor allegations of misconduct or child abuse while scrutinising the report-handling systems in non government organisations.

These initiatives will protect Victorian children from abuse, and will build the accountability of, and trust in, Victorian institutions.

Current strategies

Expand and strengthen the role of Victoria's key accountability agencies

The Victorian Government is undertaking reforms to strengthen the major bodies in Victoria's integrity and accountability system.

Firstly, the Government has **broadened the corrupt conduct jurisdiction of the Independent Broad based Anti-corruption Commission (IBAC)** – Victoria's chief anti corruption watchdog – and made it easier for IBAC to commence investigations into corrupt conduct. The changes will give IBAC the power to investigate the common law offence of misconduct in public office, to conduct preliminary inquiries for the purpose of determining whether a full investigation is necessary, and lower the thresholds that must be met before IBAC can commence a full corrupt conduct investigation.



Secondly, Government has **invested the Auditor-General with ‘follow-the-dollar’ powers**, allowing the Auditor-General to audit public money provided to non-government entities that are delivering government services. This change ensures that the Auditor-General’s powers align with how government is procuring and delivering services – see box on next page.

Thirdly, Government has **streamlined access to the Ombudsman** by allowing the Ombudsman to accept complaints by telephone (as well as in writing) and made changes to improve the operation of her legislation. The changes include allowing the Ombudsman to table reports when Parliament is not sitting, provide information to Government agencies to help them improve their practices and exercise greater discretion when investigating protected disclosure complaints.

Finally, the government will create the **Office of the Victorian Information Commissioner (OVIC)** to oversee Victoria’s freedom of information, public sector privacy and data protection laws, and provide independent advice to government across those closely-related fields.

Lead the development of a culture within the Victorian public service that places integrity at the centre of all activities

The Government is supporting these changes to independent bodies by extending and clarifying responsibilities within the public service.

For example, the Government has tasked the VPSC with maintaining public sector integrity. The VPSC’s **Integrity Strategy 2016–17** aims to achieve sustained community and government trust in the Victorian public sector.

In addition, the Victorian Secretaries Board is championing a culture of integrity across government. The new Deputy Secretary level **Corruption Prevention and Integrity Subcommittee** will:

- support ethical leadership and decision making at all levels of the VPS, including developing training together with the VPSC
- improve assurance for major ICT projects
- support a review of Conflicts of Interest and Gifts, benefits and hospitality frameworks by the VPSC.

Release more information to the public to ensure decision-making is transparent and government is accountable for performance

The Victorian Government is becoming more open. Where it is in the public interest, the government is proactively releasing information relating to performance and decision-making. For example, the Government has:

- introduced new laws requiring the emergency response times of Ambulance Victoria, the Country Fire Authority

and the Metropolitan Fire Brigade to be published online every quarter

- publically released key business cases, including Melbourne Metro, Murray-Basin Rail Project and the Western Distributor
- regularly released data on the performance of Victoria’s health services
- developed a digital dashboard (to be launched mid-2016) to provide quarterly updates on the status of major ICT projects.

In addition, the Victorian Government is making more data available to those working outside government, including the public purpose sector.

Being more open about bushfire management

The Department of Environment, Land, Water and Planning (DELWP) and Parks Victoria have prepared a three-year fire operations plan that sets out the actions they will undertake to deliver on Victoria’s bushfire management strategies. In particular, these plans set out where and when activities to reduce bushfire risk will take place, such as planned burning, slashing and mowing, which reduce the leaves, twigs, shrubs and other vegetation that fuel bushfires.

Build public trust in government by moving beyond compliance, and taking a proactive approach to accountability, transparency and integrity.

The fire operations plan provides the opportunity for those who live near public land or are interested in a particular area to talk to DELWP about the timing and scheduling of planned burns and other bushfire fuel management activities in that area, at any time.

To keep informed, citizens can opt-in to the Planned Burning Notification System. It displays and provides notification of all burns that are intended to be carried out in parks and forests in Victoria over the next three years and shows their statuses.

Citizens can choose:

- which planned burns to be notified about
- how to be notified
- when to be notified

This system of forward planning and tailor-made notification provides transparency and real-time information, enabling all Victorians to influence and make informed fire management decisions.

In total, DataVic has released more than 5,000 data sets to the public, with the most popular being those relating to public transport, planning applications and road accident data.

There has been a steady increase in data downloads over the past twelve months, which can be attributed to the release of higher-quality data, improvements in search engine optimisation and greater promotion of the site.

Work to improve the accessibility of useful data is ongoing. The new whole-of-government **Information Technology Strategy 2016–20** aims to make government information and data open and accessible, and places an emphasis on data value and quality.

Follow the dollar powers

The modern public sector is large and diverse, consisting of statutory authorities, State controlled companies and other entities through which government delivers its services and programs. Service delivery arrangements have changed; centralised government has given way to partnerships and agreements, and sometimes blurred the distinction between public and private entities

‘Follow-the-dollar’ powers will substantially expand the Auditor-General’s ability to scrutinise public spending regardless of where such spending occurs, enabling them to continue to meet their mandate as an assessor of the efficiency, economy and effectiveness of a public entity in pursuing its objectives.

Future actions

The Victorian Government has just completed a community consultation process on the role and operation of Victoria’s integrity and accountability bodies. The Government released discussion papers inviting input on:

- IBAC’s public examinations and IBAC’s role in preventing corruption in the public sector
- the Victorian Ombudsman’s continuing role in the Victorian integrity and accountability system, and
- the role of the modern Auditor-General in the integrity and accountability system.

Community submissions will inform the next wave of integrity and accountability reforms.

In addition, following the creation of the OVIC, the Government will be undertaking a comprehensive review of FOI legislation.

The Government will continue to look for opportunities to release information on decision making and performance, so that government actions are more transparent to the Victorian public.

Conclusion

This paper outlines a wide range of public sector reforms that are being developed, are underway, or are already completed. They show progress across all four public sector reform policy directions – people, systems, outcomes and accountability.

But the public sector is still only part of the way along a continuous journey of improvement. The Government is looking out for more opportunities to make improvements through reform and innovation. As the experts in their fields, public servants are best placed to identify the local opportunities for reform. To achieve the ambitious intentions set out in this policy, everyone needs to get involved.

The Government's approach to public sector reform aims to empower everyone working in or with the Victorian public sector to identify opportunities for reform and model new ways of working.



For more information go to
vic.gov.au/publicsectorreform

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