JOINT SERVICE DELIVERY IN FEDERAL COUNTRIES

RESEARCH REPORT PREPARED FOR THE FORUM OF FEDERATIONS

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Executive Summary

The reform and modernization of public services has accelerated over the past two decades in response to changing citizen and political demands for more efficient and customer-focused government. "Joined-up" approaches to service delivery have been a central and consistent element of these reforms. Creating one-window access to government services improves customer service and satisfaction, while reducing costs by consolidating siloed offices, front service counters, websites and call centres. The enterprise-level information technology and human resources architecture necessary to support these reforms also builds stronger internal capacity for the effective deployment of both human and knowledge resources.

This report provides a comparative review of the current status and trajectory of joint delivery of public services in federal or quasi-federal countries – Canada, Australia, Germany and the United Kingdom (UK). It focuses on initiatives involving both federal (or national) and sub-national levels of government. This report distinguishes between approaches to joining up high volume transactional services, such as issuing licenses and identity cards, and the more complex and tailored joint or "wrap-around" services needed to better serve multiple-needs clients in the human services and justice sectors. It also distinguishes between horizontal (intragovernmental) and vertical (intergovernmental) initiatives, although the report focuses squarely on the latter.

For each country case study, descriptions are provided on the status and trajectory of integrated service delivery initiatives. The report focuses on areas in which the countries studied are breaking new ground or are established leaders in one or more modes of service delivery. In this sense, the report describes leading examples of joint initiatives involving transactional services, and more complex efforts to integrate front-line delivery of human services. The primary focus is on collaboration between national and sub national levels of government. Comparisons across case countries are drawn within the constraints imposed by the diversity of the constitutional arrangements, federal systems, culture and experiences of the countries examined.

The report illustrates the diversity, richness and innovation of public service reforms in some major jurisdictions. Constitutional structure and operations vary considerably between federal systems. For example, Germany's constitutional division of powers in relation to service delivery is strictly observed and fiercely protected by sub-national levels of government. This has significant implications for efforts to develop cross-jurisdictional approaches to service delivery. In contrast, in Australia and Canada there is greater permeability across boundaries and hence more examples of both intragovernmental and intergovernmental service integration. The unitary system of government in the UK has seen public services historically delivered or controlled by the national government. This has been modified in recent years by the devolution of some powers to Scotland, Wales and Northern Ireland. In addition, in common with many of its counterparts, the past decade has seen an increasing policy shift towards local delivery with the national government playing a steering role in developing priorities, strategies and performance measures.

Canada and Australia are regarded as among the global leaders in moving siloed transactional services to common counters and driving services on to one-window websites. Both jurisdictions have also benefited from "laboratory" federalism in the sense that many innovations have been incubated at the state or provincial levels prior to being adopted or adapted by the national government. The UK, and, more recently, Australia are leaders in the more complex endeavour of joining up front-line human services, such as those in community care.

Three over-riding observations emerge from this study:

First, while there is a spectrum of jointly-delivered services ranging from high volume transactional services to the more complex delivery of human services, and on axes that are either horizontal or vertical, few countries have followed a common pathway. For example, the UK is breaking new ground with advanced approaches to wrap-around human services well before it has established fully- integrated transactional services. While this variability in approaches does not make for simplistic step-wise comparisons, it offers a rich source of experimentation and mutual learning opportunities.

Second, as information technology investment and capacity matures, it is becoming an increasingly critical factor in strategy development, especially in the provision of transactional services. Common to Australia, Canada and the UK is a current focus on virtual co-location of on-line services and back-office information sharing.

Third, more recent approaches to the integration of community and justice services are emphasizing disintermediation of traditional service delivery chains. Instead, in its most advanced form, there is more focus on mapping the aggregate spending of multiple siloed departments and determining how this might be allocated based on the priorities of communities. This implies a much more direct relationship between the funder and the client or local community. It suggests a transition from thinking about "joining up" government and towards disintermediated or reshaped government in which services are increasingly provided by tightly coordinated networks of local providers.

Introduction

This report examines joint service delivery initiatives involving collaboration between national and sub-national levels of government in predominantly federal models of government.   It examines current practices and identifiable trends in Canada, the United Kingdom, Australia and Germany. In the case of the UK, the focus is primarily on national-local relationships together with a case study from the devolved Scottish administration.

Over the past two decades, public service organizations around the world have been responding to unprecedented changes in the economy and rising expectations on the part of citizens and political leaders, against the backdrop of the movement to "reinvent government"[1] (a term coined by Osborne and Gaebler in 1992. Resulting public service reforms have accelerated and intensified during periods of economic crisis. Under the banner of the "New Public Management", the 1980's and '90's saw many political leaders call for smaller, more customer-focused, competitive and integrated governments and public services.[2]

Public service reforms have included experimentation with privatization and a focus on measurement, value for money and on outcomes rather than inputs. While some of these initiatives, such as privatization, have gained intermittent traction over time, the drive towards more "joined-up" or integrated government services has been constant. As a result, some form of public service integration, especially in relation to service delivery, is now generally found at the core of national and sub-national modernization initiatives. "Joining up" public services has become ubiquitous. Kenneth Kernaghan refers to this mode of reform as "Integrated Public Governance" and suggests that it may be the successor to the New Public Management.[3]

The focus on joined up approaches to public service delivery recognized that, like many other enterprises, public service organizations are over-determined by a legacy of siloed departments and ministries, each operating as autonomous entities in the face of rapidly converging global markets and increasingly complex and cross-cutting policy challenges. The disjointed operations of government are exacerbated in the context of federal or quasi-federal arrangements where more than one level of government occupies a similar policy, regulatory or delivery field.

In general, "joining up" is often implemented or is being planned in one or both of two areas:

i) *" Transactional" services*. Prime candidates for collaboration and integration in this category include: "back office" services such as Human Resources (HR); Information

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[1] David Osborne and Ted Gaebler, *Reinventing Government* (Reading: Addison Wesley, 1992).

[2] Peter Aucoin, *The New Public Management: Canada in Comparative Perspective* (Montreal: Institute for Research and Public Policy, 1995).

[3] Kenneth Kernaghan, "Moving towards integrated public governance: improving service delivery through community engagement," *International Review of Administrative Sciences* 75 (2009): 239-254.

Technology (IT); payroll and procurement; front counter services in which one or more departments offer services across common counters (such as business registration, driver licences, identity cards and parking permits) and through common websites or call centres; data sharing; and collaborative approaches to regulation. In some cases there are agreements to have one department or ministry deliver payroll processing or human resources services on behalf of a cluster of ministries.

ii) *Socially and politically complex "wicked" issues.* The more complex, but growing, area of collaboration involves efforts to integrate health, community or justice services in ways that better serve complex needs clients. Interest in this area has been heightened in recent years as political leaders turn their attention to difficult or "wicked" policy and delivery issues such as poverty, children's services, mental health, homelessness and the health and community care challenges associated with aging populations. These are not only complex challenges, they are expensive and becoming more so. There is a growing fiscal imperative to find efficiencies together with a critical political imperative to maintain or improve current service levels.

Joining up services occurs horizontally and/or vertically:

1) *Horizontal or intragovernmental integration and collaboration* (i.e., joining up some or all of these services within one level of government).   These efforts are usually focus on the economies of scale derived from collaborative approaches to procurement; the efficiencies and knowledge management advantages associated with developing common IT platforms; and merged front counter services with the associated benefits of consolidating real estate. In some federations, reforms are incubated at the provincial and state level and evolve into national programs.

2) *Vertical or intergovernmental integration* (i.e., in which two or more levels of government collaborate on joint service delivery initiatives (e.g., Centrelink, in Australia; Getting it Right for Every Child, in Scotland).   These efforts have in some cases led to previously duplicated services being cross-delivered by a single level of government (e.g., the Canadian federal government administers corporate taxes and/or sales taxes on behalf of several Canadian provinces). Efforts to join up services across departments within one level of government are complex; the project of joining up across levels of government is even more complex, particularly where there is a misalignment of party politics or historical and/or constitutional barriers to joint service delivery (e.g., Job Centres in Germany and national-local delivery in the United Kingdom).

This report focuses on vertical integration initiatives in which there is national-level involvement and collaboration with one or more levels of sub-national government.

The report provides case study snapshots of the recent trajectory, progress and future plans of each country in working across jurisdictional boundaries to improve service delivery to citizens. For each country case study, descriptions are provided on the status and trajectory of integrated service delivery initiatives. The report focuses on areas in which the countries studied are

breaking new ground or are established leaders in one or more modes of service delivery. In this sense, the report describes leading examples of joint initiatives involving transactional services, and more complex efforts to integrate front-line delivery of human services. For example, greater attention is paid to Canada's success in integrating transactional services, whereas the U.K, case studies focus on leading examples of efforts to integrate human services or justice services in order to better tackle complex issues for vulnerable populations.

An effort has been made to provide comparisons across case countries, particularly with reference to the differentiation between transactional and more complex modes of delivery. Fenna[4] points out that the diversity of federal systems and experiences, each with unique characteristics, makes generalization and comparisons somewhat difficult. His comparison of Canadian, Australian and U.S. models of federalism with that of Germany (which assigns most policy making responsibility to the federal government, and responsibility for implementation and administration to the "Länder"), is particularly germane to this study.[5]

Methodology

This analysis employs a case study approach, drawing on literature and personal interviews with key informants in Canada, England, Scotland, Germany, and Australia. Early identification of examples of joined up services was followed by contact with key individuals in each national, sub-national and (where applicable) local jurisdiction. Interviewees were recruited on the basis of their reputations, their positions in government, academia, and in the specific initiatives. Potential interviewees were contacted by email and provided with an overview of the research questions prior to the interview (Appendix A). The questions focused in particular on vertical partnerships involving both national and sub-national levels of government. Interviewees were asked to provide information on the status of mature initiatives as well as leading examples of experimentation and future plans.

Interviews were conducted in person in Canada, the UK and Germany, and by telephone in the Australian case, from January to March 2011. Each person was asked to provide an overview and history of targeted programs, their insights on lessons learned and observations about how they saw the future of the initiative. Data included interview notes and print and web-based literature provided by interviewees and obtained independently.

An iterative approach allowed for comparisons and discussion of challenges and strengths in implementation of each initiative as the research progressed. Drafts of the case studies and analyses were reviewed by some of the interviewees from each country to check for accuracy and whether the analysis captured the key points and context of each initiative.

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[4] Alan Fenna, "Benchmarking in Federal Systems" Occasional Paper Series, No. 6 (Forum of Federations, 2010).

[5] Fenna, "Benchmarking in Federal Systems," 10.

JOINT SERVICE DELIVERY: CASE STUDIES

In each case study the constitutional context is first outlined, followed by examples of joint service delivery identified by key informants and discussion of important elements of success, challenges and/or future directions.

Case Study 1: Canada

Constitutional Context

Canada is a federal state, whose Constitution delineates the division of powers between the federal government and its ten provinces and three territories. Canada's federation is complex, interwoven with its development as a nation, and has made accommodations for cultural and linguistic differences. In this sense it reflects Fenna's description of federations which evolve "into highly complex and messy arrangements of political and administrative entanglement which conform only very approximately to ideal type models."[6] Shifts in the economy, technological change, urbanization and changes in the role of the state have also resulted in overlap in the division of powers between the two levels of government.[7]

Despite these complexities and ambiguities, which in many respects relate to funding as opposed to hands-on delivery of services, the constitutional division of powers (supported by judicial interpretation) is relatively clear in charging provinces and territories with the delivery of the lion's share of direct services to citizens. In turn, provinces and territories have devolved many areas of direct service delivery to municipalities.

Canada's Experience with Joint Approaches to Service Delivery

Set against the backdrop of its complex, and in some cases duplicative, division of powers, Canada has earned an international reputation for its success in developing a customer-focused and integrated approach to delivering transactional services. Canada, and particularly its federal service delivery brand, Service Canada, is regularly mentioned in international reports as a world leader in integrated service delivery.[8] [9]

Canadian key informants agree that high level public service leadership is an important pre-condition for further progress in breaking down organizational and jurisdictional boundaries. Notably, there is no ministerial involvement in the governance structure and little political

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[6] Fenna, "Benchmarking in Federal Systems," 9.

[7] Robert B. Asselin, Political and Social Affairs Division – Library of Parliament; 2001. Accessed at: http://www2.parl.gc.ca/Content/LOP/ResearchPublicaprb0031tions/-e.htm)

[8] *Power in People's Hands: Learning from the World's Best Public Services.* (UK Cabinet Office: Crown Copyright, 2009).

[9] Accenture, *Leadership in Customer Service: Delivering on the Promise*, 2007. Accessed at: http://www.accenture.com/us-en/Pages/insight-public-leadership-customer-service-delivering-promise.aspx

involvement overall although the tacit support of political leaders is obviously important. Canada's political leaders tend to have taken a back seat in this area of public administration, perhaps seeing it as the business of the public service. This has been a consistent thread in the Canadian service delivery experience thus far despite changes of governing party at the federal and sub-national levels. This has been seen as a public service initiative first and foremost and has likely been a sustaining success factor in the achievement of buy-in from senior executives to front- line service delivery staff. There are exceptions where service delivery becomes a political issue, for example, in Ontario in the "post-9/11" period, when it became necessary to tackle a 9-month waiting time for new birth certificates. This was a significant challenge for a newly elected government and a public service that had made service quality a priority. The province's Premier instructed that it be fixed. This resulted in birth certificate applications being moved securely on-line, with delivery time being reduced from months to days.

Service Canada is an out-growth of "laboratory federalism" – the ability of national and sub-national governments to learn from the experience of multiple policy and delivery sites. Canada's national government has been adept at monitoring, learning from and adapting the experience of provincial incubators. This has been the case with the integration of service delivery. In the first phase, provinces moved to join up siloed back office and front counter services within provincial boundaries; in a second phase the federal government began to join up its own service modes under the Service Canada brand; the third phase saw some larger provinces, such as Ontario, making the case for federal, provincial and municipal collaboration and co-location.

There has been a steady evolution at the provincial level in moving away from ministry-based front counters, websites and call centres and towards co-located common counters. This in turn required that back-office services, including information technology platforms be developed to support these front counter operations. In some cases (e.g., British Columbia and Ontario) this prompted thinking about enterprise-level approaches to other business lines such as billing, payroll administration, procurement and human resources (see Ontario Shared Services described in "Horizons of Value: Leadership Lessons on Accelerating Transformation to High Performance".[10]

When counters and service offerings were consolidated, it became increasingly obvious that just as shared platforms were replacing ministry service silos, they could equally cross jurisdictional boundaries. Provincial officials realized that federal services such as the issuance of Social Insurance Numbers and business registrations, and municipal services such as birth registration, should be added in order to offer a full suite of services. This contributed to enhanced provincial-federal-municipal partnerships, including broader on-line service bundling and the co-location of federal, provincial and municipal services behind common physical counters across the country. While provinces have incubated integrated service strategies, and to some extent encouraged federal involvement, a federal government strategy has now been developed and is the subject of collaborative discussions at the federal/provincial/territorial deputy ministers table.

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[10] "Horizons of Value: Leadership Lessons on Accelerating Transformation to High Performance" (Kennedy School of Government, Harvard University, 2010).

Service New Brunswick was created in one of Canada's smallest provinces (with a population of 750,000) in 1998 – seven years in advance of Service Canada. Its website describes its mandate as follows:

> *Service New Brunswick (SNB) was created … to consolidate in one corporation, the transactional services and information that New Brunswickers need to conduct their personal and business lives. Our mandate is to improve access to government services and public information. Our proven record as a leader in government service delivery is well established. For a decade, we have provided quick, convenient access to government services through a province-wide network of service centres (now 37), a toll free call centre, and an Internet portal. We now have more than 60 municipal partners and growing experience providing Federal services. SNB is recognized as a Centre of Excellence for alternative service delivery. Our employees are energized by the challenge of delivering better service and improving the ways that citizens and businesses interact with government.[11]*

Similarly, Service Ontario, in Canada's largest province with a population of 13 million, saw its genesis in the late 1990's in advance of the creation of Service Canada. Service Ontario has won numerous awards for its "outside-in" customer focused approach to integrated service delivery. It was the first Canadian jurisdiction to introduce a "money back guarantee" for a government service and to integrate front counter and on-line service on a large scale. "Despite the wide dispersion of its population, by 2010, close to 95 per cent of Ontarians [were estimated to be] within 10 kilometres of an integrated Service Ontario centre"[12] and more than 80 services are provided through nearly 1000 touch points.[13]

Ontario also initiated some of the first significant integration efforts with the federal government and municipalities, such as the bundling of a one-time application for three services previously only available from separate offices: municipal birth registration, provincial birth certificates and federal Social Insurance Numbers. These are now available through a single on-line application process with a money-back service guarantee. New birth mothers are able to apply before leaving maternity departments of hospitals. To varying degrees Canada's other provinces and territories are also innovators and leaders. Service New Brunswick continues to be cited as a leading service integrator (e.g., its partnership with Service Canada on the issuing of pleasure

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[11] Service New Brunswick. Accessed at: http://www.snb.ca

[12] Ontario Ministry of Government Services website accessed at:
http://www.mgs.gov.on.ca/en/News/STDPROD_079173.html

[13] "Making it Easier through Joint Service Delivery," ServiceOntario presentation to authors, January 13, 2011.

craft licenses), together with Nova Scotia and British Columbia (for additional case studies, see Jeffrey Roy and John Langford.[14]

Service Canada was created in 2005 and offers single-window access to a wide range of Government of Canada programs and services for citizens through more than 600 points of service located across the country, call centres, and the Internet. A full 95% of Canada's population live within 50 kilometres of a Service Canada location. A UK Cabinet Office policy paper describes Service Canada as follows:

> *"Service Canada is a 'one-stop' delivery network providing access to over 77 different government [of Canada] programmes, with a strong focus on transactional services such as benefit payments. Citizens can access Service Canada in person at one of 329 Service Canada Centres or 222 outreach and mobile sites, online and through various free phone numbers. Service Canada also operates the Government of Canada's 1-800-O-CANADA national telephone line where citizens can access general information on the comprehensive range of programmes and services available to Canadians.[15]*

Service Canada's mandate is to make access to federal government programmes and services faster, easier and more convenient, and to respond to the challenge of maintaining a national government presence across the full geographical breadth of Canada, and its population of 34.2 million. In 2009–10, Service Canada handled 9.7 million visitors to points of service, 7.7 million clients served in-person, responded to 58.6 million phone calls, had 55.1 million website visits, paid out more than C$88 Billion in benefits. Earlier data (2007-08) showed over 90% of the most commonly requested government services are available online. Research has shown that 84% of service users are happy with the overall levels of service they got from Service Canada. In 2005–06 Service Canada accumulated efficiency savings of C$292 million.

With a strong national framework now in place, Service Canada is continuing to experiment with increased integration of services, for example, establishing with the Government of Ontario a scheme to provide federal, provincial and municipal services in one location in Ottawa. There is also an online process for parents of newborns to register the birth of their child municipally, and get a provincial birth certificate, and federal Social Insurance Number and child tax benefits in one application in six provinces. The next phase aims to create a single automatic application process for all services relating to newborns. Another pilot currently being considered by federal, provincial and territorial partners is one that will "bundle" death notification services across

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[14] Jeffrey Roy and John Langford, "Integrating Service Delivery Across Levels of Government: Case Studies of Canada and Other Countries" IBM Centre for the Business of Government, 2008. Accessed at: http://www.businessofgovernment.org
[15] *Power in People's Hands*, 37.

governments. [16] Federal officials hope to see vital events agreements in place with all provinces and territories, as well as municipalities where appropriate, by the end of 2011.

Canada's federal and provincial/territorial governments have for the most part matured in developing enterprise-wide and integrated approaches to service delivery within the boundaries of their own jurisdictions; in addition there have been strong efforts to carry integrative approaches across jurisdictional boundaries. This is an important moment for at least three reasons: first, the federal government has established afederal/provincial/territorial council of deputy ministers as a focal point for planning, architecture and delivery. The forum is a focal point for sharing each other's best practice and establishing common priorities around key aspects of service delivery architecture and culture (see further below). The planning and execution most often happens within individual jurisdictions based on their capacity and internal priorities; second, the federal government has also taken some leadership in seeking additional partnerships with provinces and territories on extending the "bundling" of federal and provincial service offerings; and third, all of Canada's governments are facing difficult fiscal challenges that will drive further innovation. So there is an emerging consensus on priorities for transformation, and a forum where this consensus is being shaped into work plans for the next phase of the transformation journey.Federal and provincial officials cite the current Service Canada – Service Ontario collaboration on aboriginal birth registration as a good example of effective cross-boundary collaboration in a tough area. Service Canada assists Service Ontario with birth registration in remote northern communities, which allows clients to access a federal Social Insurance Number, and a "Status Card" which triggers a number of aboriginal rights and entitlements in taxation, education and social services. The provision of integrated services to Canada's aboriginal population is challenging and only intermittently successful. The project was initiated by aboriginal leaders and hence was responsive to an identified community need and there was a clear and unifying value proposition. One official noted that this sort of project "shows that difficult obstacles can be overcome with strong will and commitment on the part of partners."[17]

Canada's efforts in improving service delivery have been both supported and validated by sophisticated and rigorous benchmarking. In 1999, an intergovernmental Citizen-Centred Service Network (CCSN) composed of over 200 senior officials from the three levels of Canadian government together with academics and outside experts in the field of public sector service delivery, released a series of reports, tools and recommendations aimed at improving citizen satisfaction with public-sector service delivery. The outputs of this initiative include Citizens First, a triennial national survey of Canadians' expectations, satisfaction levels and priorities for service improvement across three levels of government in Canada. The survey also measures citizens' satisfaction of public services against private sector services such as banks, supermarkets and department stores. The survey is supported by a Common Measurements Tool

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[16] Accenture, *Leadership in Customer Service: Creating Shared Responsibility for Better Outcomes*, 2009. Accesssed at: http://www.accenture.com/us-en/Pages/insight-leadership-customer-service-report-shared-responsibility-summary.aspx

[17] Steele, Richard. Interviewed by authors. Toronto, ON. January 13, 2011.

which is used by government departments in assessing client satisfaction and benchmarking performance within and between levels of government. Ralph Heintzman, Adjunct Research Professor at the University of Ottawa, notes that, "The Citizens First series … has established the gold-standard for research on public sector service delivery, not only in Canada, but around the world. The ICCS methodology and approach have equipped public sector managers with the tools they need to identify action priorities for service improvement in the public sector."[18]

As of October 2010 the intergovernmental table of deputy ministers was examining four priority areas as part of a going forward strategy:
• 	Service Bundling (Major Life and Business Events such as births, bereavement and business registration and regulation);
• 	Smart Footprint (Multi-Channel Access with focus on self-service); this approach would provide a broad range of access points for users - front-counter, telephone and web-based - but encourages automated self-service functions which increase speed of delivery and minimize costs − for example, the automated renewal of a business or hunting licence with the ability to print an instant licence at home or in a local library.
• 	Service-Oriented Approach (to achieve administrative efficiencies by moving to horizontal governance approaches that foster collaboration and innovation, while maintaining the vertical accountabilities associated with legislative responsibilities);
• 	Enabling Tools (Working through other inter-jurisdictional fora to examine the possible use of the National Business Number (BN) as a single identifier for businesses, building on BizPaL (a common federal-provincial information service to businesses).

There is also an accelerated focus on joining up information platforms for purposes of identity authentication as well as more rapid sharing of information on life events (for example, information sharing agreements on bereavement have resulted in fewer cases of pension over-payment and will likely be a tool in combatting identity theft).

Federal and provincial officials suggest that the Deputy Ministers Committee will likely discuss and develop a work plan that will move away from the creation of additional physical common front counters and towards more on-line "bundled" service offerings, with greater interoperability of information systems. There will also be a focus on collaboration on common research interests, including privacy and the use of informed consent to enable the sharing of data and a "Tell us Once" principle across multiple program areas.

These plans clearly signal a shift away from growing physical co-location and towards "virtual co-location". As will be evident in the next case study, this echoes thinking and planning in the Australian context of Centrelink, where there is a similar interest in developing a common approach to identity management to enable interoperability or alignment of service offerings with other government organizations where appropriate.

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[18] Institute for Citizen Centred Service. Accessed at: http://www.iccs-isac.org/en/cf/

Asked about key challenges to implementing joint delivery strategies, public service leaders mentioned: the capacity of potential partners to deliver, including their human resource capacity; lack of a community presence for government; upfront technology costs and inter-operability; data sharing, privacy issues and multi-audience targeting. Effective and resilient horizontal governance, both within and between levels of government is a significant success factor. In this respect officials point to the importance of the intergovernmental deputy ministers committee,, and in some cases, memoranda of understanding between federal/provincial/territorial Cabinet Secretaries and between ministries and departments .

A more fundamental challenge to accelerated service integration at the federal level lies in the siloed nature of departments and fragmentation of its back offices services, predominantly in information technology. This was highlighted in the Clerk of the Privy Council's annual report for 2010-11.[19] In August 2011, the President of the federal Treasury Board announced the creation of Shared Services Canada which will be accountable for the development of corporate IT and procurement systems and other consolidated "back office" systems. This brings to light the non-linear aspects of public service reforms in the sense that Service Canada has been seen as a leader in integrating front counter services, while it has retained relatively fragmented back office services, Interestingly, the head of Service Canada was assigned to lead the creation of Shared Services Canada,

In a study of potential barriers to further joint federal-provincial service initiatives,[20] Kernaghan identifies five categories of barriers to joining up service delivery across jurisdictions: legal, political, operational/managerial, structural and cultural barriers. He notes that, "A major means of handling several of the challenges is providing carefully in a partnership agreement for such central matters as accountabilities, privacy and security measures, and financial arrangements. The remedies must nevertheless be tailored to the specific legislative and other requirements of each jurisdiction." In this regard, Kernaghan points to pre-existing federal-provincial and intra-provincial agreements on service transfers such as the Canada-Ontario Labour Market Development Agreement (LMDA) and the MOU between the Ministry of Health and Long-Term Care (MOHLTC) and ServiceOntario in regard to the provision of public facing services.

Concluding Observations - Canada

Canada's track record in joining up services first within, and later between, jurisdictional levels is a carefully studied success story that many countries seek to emulate. It is notable though that for the most part this is a success story about the alignment and joining up of complementary

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[19] Clerk of the Privy Council, *18th Annual Report to the Prime Minister on the Public Service of Canada* (Ottawa: Privy Council Office, 2011). Accessed at: http://www.clerk.gc.ca/eng/feature.asp?pageId=275.

[20] Kenneth Kernaghan, "No Way or No Problem? Challenges and Opportunities in the Cross-Delivery of Services by Service Canada and ServiceOntario" A Study for Service Canada, Ontario Region and ServiceOntario, 2007.

transactional services. These initiatives have involved a culture change focused on customer service and have resulted in measurable improvements in customer satisfaction (as measured in Citizens First surveys). Physical co-locations of service counters, enterprise approaches to IT and driving services on-line will have resulted in considerable costs savings (because shifting services on-line costs cents per transaction, as opposed to several dollars for paper-based processes). Growing fiscal pressures together with increasing citizen expectations will continue to drive and mature efforts to increase cross-jurisdictional collaboration. Canada's public service leaders recognize this and are positioning themselves and their organizations accordingly.

There is considerably less focus at the federal and provincial levels on joint approaches to the delivery of human services such as those in the health, community, social and children's services and justice sectors. This might be partially explained by the federal government's more limited role in direct service delivery in these fields, although it does make considerable investments in provincial delivery through its health and social transfers. At the provincial level, rapidly escalating health care costs (growing at over 6% annually and occupying over 40% of provincial spending) are prompting greater collaboration between hospitals and community care organizations to rationalize patient pathways, tackle "bed blocking" and divert emergency room visitors to alternative providers. These efforts remain somewhat sporadic and regionally or locally based. Federal and provincial officials interviewed for this study confirm this prognosis and are starting to consider how joined up data on life events such as bereavement or pension eligibility could be used to identify and better support vulnerable or special needs clients. For Canada and in particular its provinces and municipalities, joined up approaches to human services represents the next frontier in service delivery. These will involve both vertical collaboration between levels of government as well as new forms of networked horizontal collaboration involving municipalities, social enterprises and voluntary and private sector delivery organizations. The major locus of intergovernmental collaboration in this area will be provincial and municipal, although to the extent that the federal government is funding these services it could tie future transfers to desired policy outcomes and to the the development of more integrated approaches to delivery.

It should be noted that in addition to jointly administered and bundled services to citizens and businesses of the sort supported by Service Canada, the federal government has also entered into agreements with a number of provinces to manage tax administration on their behalf. The federal government collects personal income taxes for all provinces and territories except Quebec and collects corporate taxes on behalf of all provinces and territories except Quebec and Alberta. This is a good example of a consolidated service in which duplication of filing requirements, processes and auditing functions is removed to the benefit of individuals, businesses and taxpayers. It does not therefore fall strictly into the domain of "joint" service delivery.

Case Study 2: Australia

Constitutional Context

Australian federalism is comparable to the Canadian structure (i.e., national, state/province/territory and local levels of government). The Constitution (Section 51) defines areas of responsibility for the federal government (i.e., The Commonwealth) as those generally of national or international importance. They include: Banking, Taxation and Currency; Airports and Air Safety; Defence; Foreign Affairs; Industrial Relations (where disputes extend further than one State); Immigration; Postal Services; Social Services and Pensions; Telecommunications and Broadcasting; and Trade. The courts have given very broad interpretation to federal powers so that in most areas the federation operates as though there are concurrent powers.

The six states (New South Wales, Queensland, South Australia, Tasmania, Victoria, and Western Australia) each have their own state Constitution. The state parliaments pass laws on any matter not controlled by the Commonwealth. State laws typically cover education, health, the environment, and the operation of emergency services (police, fire, ambulance). In cases of disagreement between State and Commonwealth law in an area where both have legislative jurisdiction, Commonwealth law takes precedence. It is generally agreed that, in part because of the Commonwealth government's fiscal power, Australian federalism has become more centralized in recent decades.

In addition, the six states and the Northern Territory have defined responsibilities and boundaries for local governments (also known as local councils). Local councils handle community needs such as waste collection, public recreation facilities and town planning. (The exception to this is that in the Australian Capital Territory, where typically local responsibilities are administered by a department of the territory government.)[21] [22]

Australian joint service delivery is a complex endeavour, not only due to constitutional issues (stemming from distinct State and Commonwealth responsibilities) but, as is the case in other countries, there is an increasingly effective and prominent third sector - not for profit organizations which now provide activities previously done by governments. Australia is widely regarded as a leader in integrating front-counters access and referral and payment services in the human services sector (Centrelink). Like Canada, there has also been considerable progress with the incubation of public service reforms at the state level (e.g., Victoria and Queensland).

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[21] Accessed at: http://australia.gov.au/about-australia/our-government/local-government-councils

[22] Accessed at:http://australia.gov.au/about-australia/our-government/government-in-australia-faq#what-kind-of-laws-can-be-made-by-each-level-of-government

Australia's Experience with Joint Approaches to Service Delivery

Centrelink

Centrelink, which is currently being fully integrated within the Department of Human Services, has been recognized internationally as a frontrunner in providing single window front counter and web-based access to human services as well as in processing and paying entitlements. It is an important component of service delivery reforms championed by recent governments. These reforms envisage a much more integrated federal government approach to the delivery of services to complex needs clients, as well as greater collaboration with states, local communities and the voluntary and social sectors. Centrelink is described as having a two-phase history, 1997-2005, and 2005-present.

Prior to 1997, the service and benefit aspects of social welfare and unemployment were operated concurrently by two different federal departments, the Department of Social Security (DSS) and the Department of Education, Employment, Training and Youth Affairs (DEETYA). In an effort to work more efficiently, Centrelink was developed under the Prime Ministerial leadership of Liberal John Howard in a conservative Coalition government. Influenced by the "New Public Management" model of governance, the goal was a system focused on customer service responsiveness underscored by carefully-checked cost efficiency mechanisms. Policy and delivery, perceived to be intertwined "inefficiently" under the old system, would be disentangled under an entrepreneurial new model, adopting a "business" customer-oriented approach to results and performance.

As an arm's length entrepreneurial agency, Centrelink, would deal with the purchase and delivery of services for multiple government departments. Policy and regulation, continued to be the responsibility of departments, separate from Centrelink's service delivery. The majority of Centrelink's services involved the disbursement of social security payments. Services are delivered according to Business Partnership Agreements (BPAs) negotiated periodically with each client agency, although Centrelink does receive some direct funding from the federal budget.[23]

"The original concept envisaged a policy/delivery split that would produce a large agency with several small policy departments."[24] As with independent operating agencies in other jurisdictions however, it is difficult to separate politics from operations. "Centrelink was a public organisation subject to political demands and pressures, which sought to operate as a business within a competitive environment. ... It was also a delivery agency accountable to client departments that had differing policy expectations, requirements and standards."[25]

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[23] John Halligan, *The Centrelink Experiment: Innovation in Service Delivery* (Canberra: ANU E Press, 2008), 121.
[24] Halligan, *The Centrelink Experiment: Innovation in Service Delivery, 121.*
[25] Halligan, *The Centrelink Experiment: Innovation in Service Delivery, 122.*

In sum, Centrelink would be a one-stop, multipurpose delivery agency for federal-level welfare and unemployment services across Australia. Such a large organizational and cultural endeavour required combining operations for multiple departments across all states and territories, establishing partnerships in communities across Australia while accounting for competing expectations and demands.

In Centrelink's first years, "client departments" included: the Department of Employment and Workplace Relations (DEWR), Department of Education, Science and Training (DEST), Department of Health and Ageing (DoHA), and Department of Agriculture, Fisheries and Forestry Australia (DAFFA). The Department of Family and Community Services (DFaCS), however, became Centrelink's major client, accounting for the majority (92.4%) of Centrelink's business in 2003-04.[26]

Department of Human Services

In 2004, the Department of Human Services (DHS) was created, bringing the Human Services portfolio (including Children's services), Centrelink and Medicare under one roof. Centrelink maintained its agency status but its CEO now reported directly to the Minister of DHS, rather than to its arm's length Board of Directors, more in keeping with a traditional public administration model.[27]   In parallel with this change there was recognition that increased partnership arrangements with State and local levels was an essential element of community development, particularly in smaller and more remote communities where local capacities may be limited. [28] More change was to come in 2009. There were two major drivers of integration:
- Fiscal pressures and a drive for efficiencies called into question the retention of three separate human service organizations (with their own front counters and back offices), in many cases serving the same clients. The move to one organization would support the objective of providing single door access and joined up services to clients;
- Recent governments have made social inclusion a priority initiative with a particular focus on improving support for the multiply disadvantaged.

In December 2009 the Australian government announced further service delivery reforms under which Centrelink and Medicare will be fully integrated as operating divisions in the Department of Human Services, thus losing their designation as operational agencies. Legislation has been introduced which would make these changes fully effective in July 2011. This is seen as the next phase in the evolution towards a fully integrated and "borderless" ministry, and as a precondition for integrated and networked services with states, communities and partners in other sectors.

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[26] Halligan, *The Centrelink Experiment: Innovation in Service Delivery, 122.*

[27] Margaret Hamilton, Chapter 6 in Halligan, *The Centrelink Experiment: Innovation in Service Delivery.*

[28] Gail Winkworth, "Partnering the 800 Pound Gorilla: Centrelink Working Locally to Created Opportunities for Participation," *Australian Journal of Public Administration* 64 (2005): 24-34.

The portfolio has a combined customer base almost equal to the entire Australian population and a workforce which comprises nearly a quarter of the Australian Public Service. As a prototype of this integrated cross-jurisdictional approach to tough social problems the department has launched the Local Connections to Work Initiative described below.

The fully merged Department of Human Services will now provide the main structure and impetus for Federal-State-Local collaboration in service delivery in Australia. Within this, Centrelink's capacity and experience with large scale payment processing, identity validation and client record management has the potential to deliver similar services for Commonwealth, state and local partners, either through strictly back-office arrangements or with Centrelink branding (especially identity based transactions such as passports and the administration of licensing systems). As client records are integrated on one database there will be increased capacity to cross reference clients on indices such as vulnerability and for cross-entitlements. For example, the department can now identify at-risk individuals with "Homelessness Indicators", tracking where clients move through the system in order to help them better; it can also garnishee payments to social housing providers so rent is paid and at-risk individuals remain housed. Ninety-five per cent of Australia's population lives within 20 kilometres of a Centrelink office.

The consolidated Department also benefits from the re-integration of policy, strategy and delivery, creating the potential for the development and implementation of more sophisticated and citizen-centric services. It will also evolve the Centrelink concept from a relatively transactional employment support and benefits hub towards the broader and more complex arena of networked and hands-on delivery of human services. Its goal is to "connect the dots", leading the joining up of public, private and third sector providers to better wrap services around clients with complex needs clients. This has been put to the test in recent disaster situations where joining up tri-level services is being done "quietly" without formal announcements of programs and partnerships. Collaborative responses to disasters has opened lines of communication and sharing of resources, and built trust across the three levels of government. A senior department official described the situation this way, "The crisis was an opportunity for Centrelink to partner with other public services, who could see in practice what might be possible and that they should work together to serve citizens in need, especially in rural and remote areas. Such partnering can be done without constitutional change and can be established on the basis of agreements between State and Commonwealth. Centrelink could simply be a payment centre for human service entitlements, but it has taken steps to connect with social service providers and is now looking at how to work in disasters – joining up army, State personnel, learning how to triage, join up visiting teams, with an increasing focus on housing."

Local Connections To Work

The Department of Human Service's most comprehensive prototype of Commonwealth-State-Local collaboration in service delivery is Local Connections To Work (LCTW), a "wrap around" service, designed to help disadvantaged job seekers (long-termed unemployed and disadvantaged youth) and their families overcome barriers to social inclusion and economic participation through access to a range of government and non-government services under one roof. There are currently four pilot sites across Australia.

The objectives of LCTW are to: stabilise disadvantaged job seekers' circumstances and remove their barriers to social inclusion; make progress towards economic participation and eventual employment; reduce the propensity to become long term unemployed; and support effective community service delivery at the local level by forging stronger links between Centrelink and service providers (including employment services providers and other community organisations). Community Partnership Groups are established in each site to provide the local governance to manage local issues, guide the local approach, develop rostering arrangements, identify opportunities to expand the range of co-located services in Centrelink, ensuring that services are driven by local needs. Community Partnership Group members include Centrelink, a selection of employment services providers, community providers (some co-located, others not co-located), State Government agencies, local councils, and State offices of the Department of Education, Employment and Workplace Relations (DEEWR) and the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA).[29]

A central part of LCTW is having disadvantaged job seekers participate in a joint interview with Centrelink and their employment services provider, thereby only needing to tell their story once. Under LCTW, service providers (Community Partners) co-locate within the Centrelink office to deliver their services on a rostered basis. There are currently over 90 co-located Community Partners across LCTW sites, including unemployment services, Medicare, youth and family services, education, financial counselling and training.

LCTW has two levels of services:
• Wrap around services – joint interviews for disadvantaged job seekers with representatives from two or more services, usually Centrelink and the job seeker's employment services provider (and other service providers, with the customer's consent). A strengths-based interviewing technique is designed to help the job seeker disclose their barriers and identify their needs so they can be quickly linked to the right support.

• Single services – for any customer who needs to access a particular Community Partner on site (e.g., housing services or a literacy provider). Medicare Australia provides by far the largest number of co-located single services. For other single services, the most common referrals are to housing, health services and financial services. Medicare is the single most used service that LCTW provides.

State Level Innovation

As in the Canadian example, state level innovations have been incubating new delivery practices for national consideration. The Logan Beenleigh Young Person's Project in Queensland is a prominent example of a collaborative, and community based initiative focusing on tough and complex social issues. It also was established as an experiment in moving away from the

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[29] Documentation and summary obtained from the Department of Human Services, Canberra 2011.

fragmented traditional model of service delivery for complex cases, i.e., many different government and non-government organizations each trying to make an impact on the life chances of the young person. The Queensland project "now provides coordinated intensive support to young parents, pregnant teenagers and other vulnerable young people through Lead Support Coordinators. These coordinators are professionals drawn from existing agencies who work closely with the young person to design a tailored package of support. This example demonstrates the importance of collaboration, not just between government agencies, but also with third sector organisations which are trying to help exactly the same cohort of young people."[30]

Key success factors of this model (which are fairly common in other "wrap-around" initiatives) are cited as:
- a focus on co-ordinated early intervention;
- the need for a Common Assessment Framework in order to provide for consistent and equitable access to services and to measure progress on common indicators;
- designating a Lead Professional as a single point of contact to assist the client in navigating through the provider system or in making decisions about a personalized package of services;
- flexible funding arrangements to provide for tailored services to clients;
- A Local Solutions Forum (to address local service delivery issues);
- dedicated resources for on-going skills development;
- Local governance (address systemic barriers to joined-up ways of working).[31]

Sophisticated Commonwealth and state-level partnerships in integrating human service delivery are growing and have been in evidence since 1996. Victoria's "Healthstreams" initiative focused on consolidation and integration of health services in remote and rural communities. Its focus on community-level services, breaking down service silos and moving to pooled budgets has much in common with the UK's "Total Place" model. A 2002 evaluation by KPMG reported mixed results but it is fair to say that this initiative was considerably ahead of the pack at that point in time.[32]

Concluding Observations – Australia

Australia continues to be a closely watched leader in service integration, particularly in the area of human service delivery. Until recently, strategy focused on Centrelink's transactional front counter registration and referral services as well as its sophisticated client data base and payment processing capacity (which has the capacity to broaden its range of services to other

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[30] *Power in People's Hands*, 43.

[31] Queensland Department of Communities presentation, October, 2008. Accessed at: http://qld.ipaa.org.au/content/docs/Public-Sector-Conference/Social%20Inclusion_Slides.pdf

[32] Department of Human Services, Victoria. Accessed at: http://www.dhs.vic.gov.au/vrhss/hstrmfinalreport.pdf.

Commonwealth departments, states and local communities). The full consolidation of Centrelink, Medicare and Children's services in the Department of Human Services has set the stage for a high-level leadership role in integrating hands-on professional services for high needs clients. The government and department want to see closer cooperation and collaboration between national, state and local government, particularly in complex and expensive areas of social policy (e.g., employment services, social and children's services). Early examples of this are the Local Connections to Work initiative and in more joined up approaches to homelessness.

Case Study 3: The United Kingdom

Constitutional Context

The United Kingdom does not have a single, written constitution. Britain's constitution is formed from various sources including statute law, case law made by judges, and international treaties. There are also some unwritten sources, including parliamentary conventions and royal prerogatives. The UK has a unitary system of government, where ultimate legislative power is held in the centre of a national government, although some powers have been devolved to Scotland, Wales and Northern Ireland, creating a limited form of "federacy."

Following referendums in Scotland and Wales in 1997, and in both parts of Ireland in 1998, the UK Parliament transferred a range of powers to national parliaments or assemblies. The Scottish Parliament, the National Assembly for Wales and the Northern Ireland Assembly were established, and took control in 1999. The arrangements are different in the three parts of the country, reflecting their history and administrative structures. All play a significant role in the delivery of services to citizens and devolution has provided a significant opportunity to re-think and re-shape some of these services.

Aside from the devolved authorities the UK has no other sub-national governance structures parallel to Canadian provinces or Australian or American states. Within England, regional devolution has only extended to London where the Greater London Authority has greater powers than other local authority bodies. The UK has experimented with various other regional structures, but these have been largely focused on regional economic development rather than service delivery. The current UK coalition government, led by Conservative Prime Minister David Cameron, has announced that even these more limited regional structures will be abolished and replaced by "regional enterprise zones". Like their predecessors, these regional entities will have no role in the provision of services to citizens.

This study occurs at a time of sweeping change in the United Kingdom and amidst a vigorous debate about the future of public service delivery. Britain has become a laboratory for a radical approach to public service reform. The recently announced "Comprehensive Spending Review" involves the deepest cut in public sector spending in the post-war years. This is intended to reduce the deficit by over £80 billion and take it from 11% of GDP in 2009-10 to 2.1% in 2014-15. Nothing is being spared, including national entitlement programs such as family allowances, defence spending and the National Health Service. Central government transfers to local government are being cut by 20% over the next three years.

Standing alongside the government's expenditure constraints is Prime Minister Cameron's vision of the "Big Society" – which envisages a radically decentralized Britain in which departmental based programs are dramatically scaled back or set aside, with more funding being provided directly to schools, General Practitioners, individuals and communities. The "Big Society," which emphasizes building with social capital rather than government spending, envisages a more active role for the social sector, with volunteers and charities filling the gaps left behind by a smaller government.[33]

The United Kingdom's Experience with Joint Approaches to Service Delivery

Evolution of "joined up" activities

The concept of "joined-up" government has been a key part of the nomenclature of public service reform in the UK for over a decade and there has been aggressive and continual debate and reform of public services in the UK reform, starting with Conservative Prime Minister Margaret Thatcher in the 1980's and continuing under the Tony Blair and Gordon Brown Labour administrations. In practice, and until recently, the most significant breakthroughs in joint delivery have been focused on cross-departmental, central government, efforts to effectively deliver on political priorities such as increasing student test scores, tackling emergency room overcrowding, traffic congestion in major centres and backlogs in processing refugee claims. This approach, which focused on strategic planning, implementation and highly transparent measurement was very successful in driving change in previously challenging areas. Central to this was the creation of cross-departmental governance structures including a single public service executive responsible for delivery, with support from a lead minister, as well as priority driven Public Service Agreements (PSA's) which were used as a mechanism to hold contributing departments accountable. The creation and achievements of the Prime Minister's Delivery Unit and the hands-on leadership of Blair has been well documented by Sir Michael Barber in "Instruction to Deliver"[34]

Although these impressive achievements in delivery on big priorities have been widely emulated, especially in Canada and Australia, the UK's progress on integrated approaches to transactional service delivery has been slow and intermittent both at the national level and between the national and local governments. While the main UK government website Directgov (www.Direct.Gov.UK) provides effective one-window access to a range of government services (including crime maps), there is no UK counterpart to Service Canada or Australia's Centrelink offering a comprehensive suite of integrated services.

An extensive government-commissioned Report on Service Transformation delivered by Sir David Varney in December 2006 assessed the status of integrated service delivery in the UK. Varney noted that:

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[33] Accessed at: http://www.cabinetoffice.gov.uk/big-society

[34] Michael Barber, *Instruction to Deliver: Tony Blair, the Public Services and the Challenge of Delivery* (London: Pimlico, 2010).

- There was no comprehensive system in place for testing citizen expectations of government services or benchmarking performance;
- Central government departments continue to operate in a fragmented fashion with respect to offices, back office services, IT and front counter operations;
- Priority areas for breakthroughs in the next several years are integrated approaches to birth, death and identity data as well as critical life event bundles;
- The lion's share of breakthroughs in providing more integrated service have been seen at the local level, although there are instances of local and national collaboration between several departments.

Varney's recommendations included:
- Grouping service delivery around common service themes;
- Consolidating real estate, back office services and service counters;
- A corporate-level, business-driven I and IT strategy that will support back office and frontline delivery;
- Standardized data collection;
- An acceleration of on-line service delivery for information and transactional services;
- Improving Directgov and Businesslink.gov to become the primary information and transactional channels for citizens and business;
- Rationalization of telephone contact centres;
- Establishing a transparent performance management and governance framework.

Progress in implementing Varney's recommendations has been slow and it is difficult to identify a single point of accountability for implementation of the report. For example, the Varney report follows two 2004 other influential reports dealing with procurement and back office efficiencies (by Sir Peter Gershon) and on asset management (by Sir Michael Lyons).   Notably, the new coalition government has recently announced a six billion pound in-year saving target for cross-cutting back office, IT and procurement spending.[35]

A broad range of programs continue to be delivered by national government, or at least directly funded by it, under tight central controls (both of which are currently slated for significant change). There is no viable regional or intermediate level of delivery. The scale of a national approach to transforming service delivery makes this a long term and complex project. Indeed, one of the key findings of this and similar reviews is that big breakthroughs in public service reform are more likely to emerge in smaller jurisdictions where reforms are more quickly and easily implemented such as in Denmark, Finland, Wales, Canadian provinces and Australian states.[36] That being said, there are many "lighthouse" models of integrated services and common counters in place in some parts of the country. Significant examples of breakthroughs in service delivery include:

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[35] David Varney, *A Better Service for Citizens, a Better Deal or the Taxayer* (HM Treasury; Crown Copyright, 2006).

[36] Tony Dean, *UK Public Service Reforms: A Canadian Perspective* (Toronto: The Institute of Public Administration in Canada, 2009)

- Flowing from Varney's 2006 Report, the "Tell Us Once" birth and bereavement service developed jointly by central and local government is now live in 42 councils including the London Borough of Southwark, Thameside Metropolitan Borough Council and councils across Devon, Lancashire and Kent. More than 25,000 people have used the service since it began in November 2008, with an average saving of £19.00 per transaction. An additional 360 local councils across the country have signed up to deliver the Tell Us Once service in their own area – representing 83 per cent of all authorities. The Tell Us Once service removes the need for customers to provide information to multiple government departments and agencies. As well as this improvement in the customer experience, agencies and service providers receive accurate and verified customer information from a trusted source often within hours. This brings valuable benefits to local and central government in both time and money . Tell Us Once services will roll out nationally in May 2011.[37]

- Expanding the scope of the UK government website to make Directgov the government front end for all departments' transactional online services to citizens and businesses, with an ability to mandate cross government solutions, set standards and force departments to improve citizens' experience of key transactions; [38]

- Kent's "Gateway" public service hubs provides a one-stop front counter service for a broad range of local services for seniors, children and the homeless as well as providing for birth registration, licenses and entitlements. It is a flagship for front counter service integration in the UK and plans are under way to add an integrated website and phone service.[39]

- Scotland is designing its government architecture to reflect a "whole of government" approach to policy development and service delivery (see the "Getting it Right for Every Child" initiative below).

Integrating Human and Justice Services – Place, Personalization and Pooled Budgets

In a more transformative sense there are significant efforts under way in the UK to tackle tough and complex challenges in the arena of human services, and especially in relation to individuals and families with complex needs. These are the "wicked" policy challenges public service

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[37] Tell Us Once Programme Summary, Local Government Improvement and Development. Accessed at: http://www.idea.gov.uk/idk/core/page.do?pageId=24064246

[38] Accessed at:
http://www.cabinetoffice.gov.uk/sites/default/files/resources/Martha%20Lane%20Fox's%20letter%20to%20Francis%20Maude%2014th%20Oct%202010.pdf

[39] Kent Gateways video accessed at: http://www.localleadership.gov.uk/totalplace/learning/kent-gateway-video/

managers often refer to as the "next frontier" in reforming service delivery such as addressing long-term unemployment, problem families, re-offenders in the justice systems and children/seniors in need of complex care. There are a number of antecedents to this development which include: a shift in thinking on the part of the Blair government away from central command and control management and towards user engagement and partnerships with front line providers;[40] the large and growing costs associated with health, community, family and justice services in the context of massive deficits; and the increasing prevalence of local and entrepreneurial efforts to join-up services around special needs individuals, families and social issues. At the heart of this shift have been a number of objectives shared, across ideological boundaries, by Prime Minister David Cameron and both Tony Blair and Gordon Brown, his two immediate predecessors. This commonality of vision on the part of three very different Prime Ministers is rarely mentioned.

Taken together these objectives move beyond traditional notions of "joined-up government". Rather, they imply:
- a more boundary-less vision of "disintermediated" services in which budgets are pooled to better address previously intractable social issues, focusing on communities or "Place"[41];
- devolved and networked service providers engage more closely with customers and clients;
- much greater involvement of civil society in the provision of services.

Common elements of this approach include:
- Greater personalization of services in relationships of "co-production" in which service users engage with providers in developing service plans (e.g., recent approaches to employment supports in the UK and Australia);

- A shift from cross-departmental collaboration at the national level to a whole-of-system approach also involving local government, front-line professionals and other providers from multiple organizations with the goal of wrapping services around complex needs of clients. This involves increased use of system navigators or case managers with access to pooled budgets and the ability to commission a range of services;

- Increased devolution of service delivery and budgets to local authorities and front-line professionals, with government focusing more on strategy (e.g., the Cameron government's Localism Bill and the proposed National Health Service reforms which

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[40] *Excellence and Fairness: Achieving World Class Public Services* (Cabinet Office: Crown Copyright, 2008)

[41] Patrick Dunleavy, *The Future of Joined Up Public Services* (London: 2020 Public Services Trust, 2010).

envisage general practitioners commissioning a broad range of health services at the local level);

- Greater involvement of social enterprises, charities, voluntary organizations and the private sector in a networked system of delivery, as envisaged under the banner of the "Big Society".

Total Place and Community Budgets

All of the above features are present in the "Total Place" initiative which started under the previous Labour government in April 2009 when it had become clear that the UK had entered a period of severe fiscal crisis. Total Place originated in an Operational Efficiency Report led by Lord Michael Bichard which promoted a whole-system approach to public service delivery. The report concluded that a step change was required in breaking through, or perhaps going around, numerous local and national government departmental silos. Bichard recommended that local pilots be established to determine the extent to which collaborative place-based strategies, designed with community involvement, and with access to pooled budgets, could better tackle complex and persistent social issues.

Thirteen pilot sites were chosen across the country with each choosing one or more cross-cutting and complex community problems such as, offender management, drugs and alcohol abuse and special needs children or seniors.[42]

In each pilot a three-phase process was put in place:
1) Counting and mapping all money flowing through siloed departments and agencies;
2) Mapping funding against the targeted theme to identify how the money was flowing and for what purpose as well as identifying duplication and waste;
3) A culture process which examined local relationships and capacity; degree of communications flow, interactions and partnerships.

The process also placed an emphasis on community and customer insights, looking at the degree of uptake of current services and what services people actually want. The subsequent reports made recommendations and proposals on more effective ways of deploying pooled budgets to focus on costly problem areas. They included plans for greater collaboration and integration of local service providers, greater community involvement and new or amended central/local governance arrangements. This was completed between June and November, 2009, with the 13 local reports being consolidated and submitted to the Treasury department for the budget process.

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[42] Total Place Programme Summary accessed at:
http://www.localleadership.gov.uk/totalplace/totalplaces/

The devolution of this task to local leaders and organizations was matched with the involvement of senior departmental leaders ("Barrier Busters") from key national government departments at a steering table chaired by Lord Bichard. The pilots were enthusiastically welcomed by local leaders and are said to have improved local level communications, collaboration and partnerships as well as building stronger and more trusting relationships between local communities and their central government counterparts.[43] Some examples of proposals emerging from the Total Place pilots:

- Durham is focusing on housing and regeneration and is currently undertaking an analysis of the impacts of the totality of funding which it receives and the way it is configured on some of the county's more challenging areas. Durham's initial findings show that the housing-related public funding they received in 2007-08 was spread across 13 significant funding streams and a number of smaller scale streams. Durham also benefited from over £200m of private householder investment spent on major home improvements. They are now investigating the specific local impact of this complex funding landscape and how it can be reshaped to maximise use of both public and private pounds spent in Durham to meet the future needs of residents.

- Birmingham is focusing on the design and delivery of new services for people with learning disabilities and mental health needs; preventative approaches to tackling drug and alcohol abuse, and guns and gangs; improved outcomes for young people leaving care; and leadership training which will include cross agency engagement to develop a new culture of collaborative working.

- Kent's priorities include: The expansion of the Gateway service centres described above, including service improvements for telephone and web channel access spanning the wider public sector and the full range of public services; and, the Margate Task Force in which a number of key local partners are collaborating with a commitment to radically different approaches to joint work in two severely deprived areas. Co-located resources will be pooled in a single management 'task force'. Key principles include an 'invest to save' approach focused on shared intelligence, prevention, better use of resources and customised services.

The pilots identified three major challenges in moving forward:
- Performance management frameworks had grown cumbersome (some areas report on 1,000 indicators to various government departments).

- Strict "ring fencing" of budgets (e.g., separate budgets for alcohol and drug programs) make it harder to develop broader addictions strategies.

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[43] *Places, People and Politics: Learning to Do Things Differently Leadership* (London: Leadership Centre for Local Government, 2010).

- Putting customers at the heart of service design (e.g., "wrap-around" models) as opposed to service design being driven from central government.

Changes introduced by both the Brown and Cameron governments have now addressed these concerns. Local performance management frameworks are being replaced, 180 national indicators are being reduced to 10 or 20, and ring-fencing is being removed from up to 90% of national funding transfers to local government.

Success factors associated with Total Place pilots include:
- The pilots are locally developed and locally led; there is support from Whitehall, but not direction;
- The overall design of the pilot projects was a collaborative project with local and national participation;
- Removing ring fenced budgets in order to provide local flexibility in aligning funding with local priorities;
- Local involvement in central policy development processes;
- The presence of pre-existing entrepreneurial leadership and/or a pre-existing culture of collaboration and working across boundaries;
- Building relationships based on mutual trust. [44]

Following the 2010 general election Prime Minister Cameron affirmed the importance of the Total Place concept, but it was re-branded as "Community Budgets" with an announcement of support for the pre-existing pilots as well as expansion of the original number of pilots from thirteen to sixteen. Consistent with the themes of Total Place, Cameron wants a focus on families with complex needs. It is estimated that there are 140,000 high-needs complex families in the UK which collectively absorb substantial resources. There will be a heightened emphasis on nation-local partnerships on re-offending, drugs and alcohol, greater flexibility for national Job Centres to work with local governments.

Complex social issues and integrated service delivery: The North Liverpool Community Justice Centre and "Getting it Right for Every Child" in Scotland

There are two initiatives which stand out as having both a community focus and a design which sees multiple services aligned to "wrap around" complex needs clients: the North Liverpool Community Justice Centre; and "Getting It Right For Every Child" in Scotland (summarized below). Prior to the evolution of Total Place and Community Budgets, the UK Department of Justice funded an integrated community justice pilot in North Liverpool based on a successful model in the Red Hook neighbourhood of Brooklyn, New York. In Scotland (prior to its devolved status) the government placed a priority on developing closer partnerships with the local communities as part of a strategy to tackle retrenched social problems. One of the initiatives emerging from this was a whole-of-system approach called "Getting it Right for Every Child".

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[44] DeBeer, Nicky. Interviewed by authors. London, UK. January 20, 2011.

The North Liverpool Community Justice Centre (NLCJC) has been housed within a former primary school, since September 2005. It has been recognised nationally and internationally as an example of good practice, and is modelled elsewhere. It is the only court where criminal justice agencies are fully co-located with other government and social sector services in a dedicated building, and in an effort to respond to crimes affecting the community at a local level. A multi-agency Community Justice team has been established, led by the Courts Service, The team also works with a broad range of off-site partners including the local authority, Neighbourhood Police Teams, the Criminal Justice Mental Health Team, Youth Offending Prevention, social landlords and youth service providers.

The NLCJC serves a population of around 60,000 people in the north end of the city of Liverpool, the most deprived local authority area in England.

"The overarching aim of NLCJC is to reduce crime and build confidence by working with the community it serves, applying the principles of Community Justice in a court setting and, outside the jurisdiction of the court, to crime and disorder related issues". One of its key operating principles is ensuring a team-based approach to dealing with offenders, "ensuring that a range of agencies, necessary for problem solving, are available to the court, delivering an end-to-end service to offenders, victims and the community."[45]   As described by a senior manager, "Our customer is the community".[46]

"The Community Court is led by Judge David Fletcher and sits five days per week to deal with criminal offences committed in two Police Neighbourhoods… It is designated a specialist court for Domestic Violence, hosts an increasingly busy monthly Crown Court for sentence and review purposes and a monthly Education Court, where parenting support from Barnardo's is used as part of a problem solving approach to poor school attendance.   A Victim Support / Witness Service Co-ordinator and police officers based at the Centre work with volunteers to provide an enhanced end-to-end support service to the witnesses attending these trials."[47]

Continuity of judges, and in particular Judge Fletcher, together with co-located support services has provided the judges with an ability to personally identify repeat and problem offenders and to understand the complexity of their cases. A Department of Justice evaluation report notes that "Court based problem solving was pioneered at NLCJC, where its multi-agency approach is used both pre and post sentence to help offenders successfully rehabilitate. The Judge is key to the use of problem solving in the courtroom and has a range of interventions at his disposal, which can

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[45] *Community Justice Centre, North Liverpool, Annual Report 2009/10* (Community Justice Centre, North Liverpool, 2010)
[46] McCready, Sue. Interviewed by authors. Liverpool, UK. January 27, 2011.
[47] *Community Justice Centre, North Liverpool, Annual Report 2009/10*

be used to test an offender's motivation to comply with an order; to address a problem before they are sentenced; or as part of a sentencing package designed to prevent re-offending."[48]

As Judge Fletcher is familiar with the cases, hearing times can be shortened, enabling him to deal with busy lists efficiently. A majority of cases dealt with in this court relate to the drug offences that the local community has identified as a priority concern. NLCJC has been dealing with cases almost six times faster than the national average. The time taken from first hearing to sentence is 26 days on average at the NLCJC compared with a national average of 147 days, and a national target of 112 days. This is combined with a high rate of referrals to on-site support agencies.

Senior managers of NLCJC report that key success factors in the development of the centre include the significant benefits of co-located professionals and agencies from the justice and social service sectors; leadership and continuity provided by Judge Fletcher; a lengthy process of community engagement and incorporation of community priorities into the work of the centre (e.g., domestic violence and anti-social behaviour); a problem-solving approach to managing the Courts, combined with the transparency of simple, streamlined and summary justice. An independent evaluation of NLCJC in 2007 concluded that: "the community justice approach supports effective and efficient court operation. Unnecessary delays and bureaucracy are avoided, and decisive action against offenders' non-appearance or breach of their sentence is possible.[49]

Strong judicial leadership and authority are evident as a result of the continuity afforded by the single judge model. The pragmatic, efficient way in which HH Judge Fletcher runs the court is having a positive impact. One of these impacts is a high guilty plea rate of 82 per cent compared with a national average of 68 per cent.

Collaborative working at the NLCJC as a result of co-location has produced effective case management and information exchange, reinforced by innovations such as the multi-agency pre-court meetings. This higher level of case preparedness has reduced the number of hearings required (2.2 hearings per case on average compared with regional figures of 2.8), which is helping to reduce the time from arrest to sentence. There is some quantitative evidence that cases are dealt with more quickly than the national average; MIS data for the NLCJC suggests that the time taken from first hearing to sentence is 26 days on average … The NLCJC court has a robust approach to dealing with non-appearance at court and breaches of sentences, with 100 per cent of

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[48] Evaluation of NLCJC 2007, accessed at:
http://www.justice.gov.uk/publications/docs/liverpool-full-report.pdf

[49] Evaluation of NLCJC 2007, accessed at:
http://www.justice.gov.uk/publications/docs/liverpool-full-report.pdf

warrants issued within 24 hours. This is above the national target of 90 per cent." [50] As of February 2011 there were reports that spending cuts could lead to the closure of the centre.[51]

Getting it Right for Every Child (GIRFEC) was launched in response to an increasing number of referrals to the Children's Reporter. It was formalized in a 2008 concordat between the Convention of Scottish Local Authorities (COSLA) and the government in Scotland which provided for the establishment of community planning partnerships. The vision for GIRFEC is the replacement of a siloed set of health and human services with a "wrap-around" model in which professional and organizations collaborate to develop high quality interventions for high needs clients.[52]

GIRFEC's principles are:
•   Putting the child at the centre;

•   Developing a common language and common assessment tools to enable services to flow around clients; and,

•   Developing and emphasizing clear expectations, principles and values to encourage collaboration between professionals.

Previously, siloed professionals developed separate reports on the child, but they now work together and with the family to develop a single integrated plan for the child and family. Eight common assessment indicators are used together with a common risk/resilience matrix. In addition, a lead professional or "system navigator" is designated as the main point of contact for the family. Consolidating a large number of referral forms used by siloed agencies has resulted in a reduced administration load for front-line professionals (from 30% of their time down to 10%). Within the first 12-months of operation caseloads for social workers dropped, on average, by 50% with the remaining caseload focusing on the toughest problem cases. Police saw the biggest jump in resource demands because they no longer automatically refer children's issues to the child protection system. Police now communicate directly with social workers, activating faster responses.

Researchers at Edinburgh University evaluated GIRFEC in 2009, finding that two-thirds of families needing multi-agency support reported improvement in service. One client reported

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[50] Merseyside Criminal Justice Board, Community Justice Centre Programme Summary. Accessed at: http://lcjb.cjsonline.gov.uk/Merseyside/324.html
[51] Jonathan Morton, *New Community Justice Centre in England.* Accessed at: http://www.restorativejustice.org/editions/2004/December/liverpool; Merseyside Criminal Justice Board, Community Justice Centre Programme Summary. Accessed at: http://lcjb.cjsonline.gov.uk/Merseyside/324.html
[52] Getting it Right for Every Child, Programme Summary. Accessed at: http://www.scotland.gov.uk/Topics/People/Young-People/childrensservices/girfec/programme-overview/Q/EditMode/on/ForceUpdate/on

that…. "It felt like a team, we couldn't tell whether the person that we were talking to was a social worker or a health visitor" and they are now working with, and cared for by a single team, rather than repeating their story to many different professionals. In addition, diverse professionals become engaged as part of the support team. For example, in weekend cases of children witnessing domestic violence, the children's teachers are informed by the police prior to school opening on Monday morning, providing the teacher an opportunity to support the child and call on further levels of professional support if appropriate.[53]

Government officials report that key strategic levers in implementation have been the formation of community planning partnerships involving police, local councils and social service organizations; the creation of integrated service area managers, with an ability to operate across service boundaries; and professionals empowered to work across boundaries.

To support the management of information, the social work service has provided a secure computer network for client files. Managing information is said to be "tricky, because information means different things to different professionals...for police it can be evidence, while for general practitioners such data is regarded as protected and private….these things can't be legislated, they have to be worked out."[54] Similarly, case integration has been tackled with a customer-centred designation of a Lead Professional (i.e., the person who best knows and has the trust of the child and family), but still has some challenges where it conflicts with regulations about who has authority to make referrals.

Challenges facing GIRFEC are outlined as: dramatic changes in outcomes have not yet emerged because these are early years interventions which do not lend themselves to quick outcomes; budget cuts mean that partners are retracting to core services; and there are challenges in working across a large number (32) of local authorities and 8 separate police forces in a relatively small country.

On the other hand, opportunities include: Scotland is small and scalable, and not as compartmentalized as Whitehall, with more permeability between smaller government departments; the new relationship between central and local government in Scotland is perceived to be a significant breakthrough with significant momentum building on priority initiatives. Plans are now underway for a similar approach to adult social care.

Concluding Observations – United Kingdom

The UK's success in integrating public services is impressive and yet mixed.   It falls far behind Australia and Canada in its integration of transaction front counter services. Current national plans in this area indicate a move towards greater back-office integration and driving more transactional services on line as opposed to consolidating services behind common counters.

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[53] GIRFEC Senior Officials. Interviewed by authors. Edinburgh, Scotland. January, 2011.

[54] GIRFEC Senior Officials\. Interviewed by authors. Edinburgh, Scotland. January, 2011.

While this is still very much on paper, it is similar to directions being taken in Canada and Australia.

The UK's headway has been in the areas of (1) joining up departments at the national level to deliver on policy priorities; and (2) moving towards more place-based, collaborative and community-driven approaches to the delivery of high-cost human services to high needs clients. Importantly, this is moving beyond a focus on "joining-up" departments towards the disintermediation of government departmental service and funding silos in an effort to better "wrap" services around special needs clients, with the support of case managers or system navigators. Central to this approach is the mapping of multiple siloed funding streams against current priorities as well as those emerging from local consultation processes.

While there has been growing success in national-local collaboration, the current scale and timing of significant national cuts in fiscal transfers to local government, are causing some confusion and uncertainty locally. In response the national government's first budget, some councils, such as in Birmingham, are cutting Citizens' Advice Bureaus which act as first response front counters for many citizen inquiries. In some departments working across boundaries has been put on hold as managers and staff strategize on efforts to protect their "core" services. Some retraction is also likely across Whitehall. The re-introduction of departmental business plans (replacing cross-departmental Public Service Agreements focused on major policy challenges and opportunities) might also cause return to departmentalism. Given the scope of cuts in government spending, a joined up look across departments to identify and protect core services while finding horizontal efficiencies will be important, but might be hampered by a return to siloed behaviour. As a result, in some departments, at both the national and local levels of government, opportunities for whole-of-government strategies could be lost or at the very least delayed.

Case Study 4: Germany

Constitutional Context

The German Constitution as set out in the "Basic Law" establishes a firm and well defined form of executive federalism: the federal parliament has extensive powers to pass laws and set policy but has the federal government very narrow involvement in program and service delivery. Responsibility for delivery and administration (including all tax collection and passport applications) lies almost entirely in the hands of German states – the *Länder*. Fenna distinguishes this model from Australia and Canada which are "based around the legislative division of powers with the two levels, at least ostensibly, exercising the full powers of policy-making, implementation and administration within their assigned spheres."[55] Article 91a of the Basic Law states that "the Federation shall participate in the discharge of responsibilities of the *Länder*, provided that such responsibilities are important to society as a whole and that federal participation is necessary for the improvement of living conditions (joint tasks): (1) improvement of regional economic structures; (2) improvement of the agrarian structure and of coastal

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[55] Fenna, "Benchmarking in Federal Systems," 10.

preservation".[56] This division of powers is closely monitored and rigorously enforced, particularly at the municipal level.

Further clauses of the Constitution[57] (Articles 91b – 91d) outline in detail those areas where the two jurisdictions may cooperate. These include: areas of research, education assessment, information technology systems, and conducting comparative studies aimed at improving the performance of their administrations. In order for the federal and state levels to deliver services jointly, there must be approval from both legislative chambers: the directly elected Bundestag, which is the confidence chamber for the federal government and the Bundesrat, composed of representatives of the *Länder* governments, which must approve by a majority of weighted votes any legislation which affects the *Länder*. This veto power makes for a complex decision-making process, especially since there are usually different political parties holding the balance of power at the federal and *Länder* levels (and in most cases coalition governments, which adds a further layer of complexity). The *Länder* therefore wield considerable bargaining power in the Bundesrat through their power to stall federal legislation.

Most recently, in July 2010, the Bundestag and the Bundesrat passed an amendment to the Basic Law[58] (Article 91e) providing for cooperation between the Federal government and the *Länder* and/or municipal governments in joint administrative bodies in the field of assistance to unemployed people (job centres). This followed a Supreme Court decision declaring unilateral action in this area by the national government to be unconstitutional (see below).

Germany's Experience with Joint Approaches to Service Delivery

The German Constitution, both in writing and in practice, establishes an entirely different context for joint delivery than in other countries considered in this study. This is evidenced in a number of significant ways:

- The focus on state and municipal-level delivery in Germany has resulted in a very limited federal presence in collaborative service delivery initiatives;

- Federal government interest in collaboration on delivery has been met with a mixed response from the *Länder* and by apathy or outright resistance from municipalities (e.g., action in the Supreme Court on Job Centres);

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[56] *Basic Law for the Federal Republic of Germany,* English Version (Berlin: German Bundestag, 2008)

[57] *Basic Law for the Federal Republic of Germany,* English Version, Article 91b – 91d.

[58] *Basic Law for the Federal Republic of Germany,* English Version, Article 91e.

- In view of the high degree of autonomy devolved to the *Länder* and municipalities, federal programs are implemented differentially in different regions and with different costs. There is very little monitoring, benchmarking or reporting on the service quality or outcomes. Indeed, such benchmarking (on a voluntary basis) was only enabled through a constitutional change[59] (Article 91 d), which was added in the Basic Law in 2009).

- The political appetite for the modernization of public administration in Germanys did not emerge until the mid-1990's and has been evolving slowly since that time and predominantly at the local level.

There are numerous examples of joint service delivery initiatives at the *Länder* and municipal levels. For example, the Citizens Offices at the municipal level are a "one-stop" for access to municipal level services, and some *Länder* (e.g., Berlin and Brandenburg) cooperate in the joint administration of Courts.

The two key initiatives in which there is collaboration in service delivery between the federal and sub-national levels of government are the HartzIV employment assistance program (also known as "Job Centres"), and the D115 Telephone System, a single number access to multiple government services. These initiatives evolved very differently and continue to operate on quite different trajectories.

HartzIV

HartzIV is the fourth, most recent law of labour market reforms stemming from recommendations of the Committee for Modern Services in the Labour Market, widely referred to as the Hartz-Commission, named for its leader Peter Hartz.

Consistent with the direction of reforms in many other jurisdictions (e.g., the UK and Australia) HartzIV began with policy push to strike a balance between entitlement to unemployment benefits and responsibility to look for work. The federal state, which funds unemployment insurance, instituted a policy in which in order to maintain Unemployment benefits, individuals would have to demonstrate that they are looking for jobs, and be willing to participate in labour market re-entry programs - the overarching idea being "assisting and demanding" ("Fördern and Fordern").

HartzIV proposed two significant changes to previously-bifurcated national and local payment and delivery systems. In terms of entitlements it brought together the former unemployment benefits for long term unemployed, administered by the federal government, and welfare benefits administered by municipalities. (Diverging from previous payment schemes, benefits are calculated in phases. For the first 12 months the unemployed person receives full benefits at the highest level so called unemployment aid (around 72 percent of his/her last salary). After 12

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[59] *Basic Law for the Federal Republic of Germany,* English Version, Article 91d.

months, the claimant moves to the lower level of HartzIV, set at a specific amount (currently about €360), but it is a permanent entitlement, with additional allowance for housing, heat, and benefits for spouses and children.[60] [61] People who are not able to work due to a handicap, invalidity, addiction, etc., are entitled to receive "social/welfare aid" ("Sozialhilfe".) Approximately one-third of recipients (about 1 million people) receive the initial phase, full unemployment benefits, two-thirds (2 million) are on HartzIV (i.e., combined unemployment and welfare benefits at the lower rate), but over 5 million people are covered by the scheme in total, with over two million recipients being children. There are also about 250,000 challenges to benefits before the courts; there is no cost to the claimant for challenging benefits.

In parallel, and in order to integrate a broad range of services to support clients, the HartzIV reforms required jointly delivery and administration with federal and local staff working side-by-side in newly merged job centres. This delivery aspect of the reforms was contentious from the outset.

The original HartzIV law was approved by the Bundesrat in 2005 – after hard negotiations in the so called "Vermittlungsausschuss" ("Joint Committee, Art. 53a GG). However, implementation of the merged delivery model resulted in a court challenge by the "Deutsche Landkreistag" – one of the three umbrella associations of the municipalities. The Constitutional Court subsequently upheld the challenge emphasizing the necessity of a clear division of competencies between jurisdictions in order to make accountability for various aspects of service delivery clear to citizens. The court decision gave rise to a new Article (91 e)[62] to be added to the Basic Law in July 2010, paving the way for HartzIV to be passed by the Bundesrat and it is now (March 2011) being fully implemented.

Notably, partly in response to pressure from the municipal level – and especially the "Deutsche Landkreistag" - the *Länder* achieved a continued measure of autonomy and control over the administration of job centres as a condition of approving HartzIV in the Bundesrat. This resulted in 69 job centres being fully controlled by authorized municipal agencies employing 9,000 staff.[63] More recently, the number of autonomous centres is reported to be growing.[64]

Early efforts to implement the merged job centres through the period of court action were challenging. Differences in approach by federal and local managers were reportedly (and not surprisingly) underpinned by two distinct organizational cultures with weak unifying decision-making structures. The difference in philosophies is summed up as a federal focus on common

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[60] Federal Officials. Interviewed by authors. Berlin, Germany. January, 2011.

[61] Hartz Concept. Accessed at: http://en.wikipedia.org/wiki/Hartz_concept

[62] *Basic Law for the Federal Republic of Germany,* English Version, Article 91e.

[63] Material Provided by the Federal Ministry of Labour and Social Affairs.

[64] Farber, Gisela. Interviewed by authors. Berlin, Germany. January, 2011.

standards, data-driven priorities and transparency, and a local focus on flexible and adaptable services responsive to local community needs.[65]

According to government officials and academic advisors to government, the following factors will be important as the program changes move forward moves forward:

- Following the Constitutional challenge, HartzIV has a legislatively secured organizational identity; Job Centres now have a permanent legal status with a common brand, permanent chairs, Job Centre managers and common human resources policies; Job Centres are jointly staffed by federal and local staff. Centre managers have been recruited from both the federal and local levels. It is reported that personal style and leadership qualities of managers are a more determining factor of success than federal or local background;

- As noted above, as part of a deal made in approving the enabling legislation for this initiative it was agreed that 69 Job Centres would be operated entirely by the *Länder*, a number that is reported to be growing. This is a significant departure from the merged model originally envisaged and could have longer term implications for a federal role in operating the centres;

- The political stakes have gone up for all levels of government. Two-thirds of the unemployed are now in the HartzIV scheme and federal/local cooperation will be critical to achieving better outcomes which will in turn have some political impact. Shared responsibility for success is thus now on the political agenda. Measuring impact will nevertheless require the establishment of outcome based measures and hence some degree of benchmarking and public reporting. Monitoring of performance and outcomes is a federal responsibility which has been aided by a recent constitutional amendment providing for benchmarking of public services. There is a mixed appetite for this at the local level and likely some constitutional purists who would like to retain full autonomy and to see the reforms fail.

D115 Project – A Single Telephone Number for All Government Services

In contrast to the HartzIV initiative the D115 integrated government phone number project, while led by a small team in the Federal Ministry of the Interior, is being designed and implemented in close collaboration with the *Länder*. The vision is a nation-wide single telephone number providing integrated and standardized information to citizens. This involves merging a number of pre-existing national and local information hotlines. According to Ministry survey data, more than half of German citizens prefer to interact with government agencies by telephone or by personal contact.

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[65] Fiedler, Jobst. Interviewed by authors. Berlin, Germany. January, 2011.

The initiative started several years ago with a series of conversations involving federal, state and local officials. It builds on an earlier internet-based collaboration called Office Finder which, as the name implies, is designed to help citizens navigate towards the right office to meet their needs. IT strategy and infrastructure has been developed over past 10 years leading to a collaboration treaty and cooperative projects. From the outset the philosophy of building the collaboration has involved an effort to present a strong and mutually beneficial business case and to start with pilot projects involving a "coalition of the willing". The initiative is funded by the federal government.

A core group of 40-50 institutions is now involved and there are regular meetings of quality managers and service centre managers. The product is a single telephone access number for government services "115". The focus is on the top 100 most commonly accessed services, supported by a standardized process and common information scripts across all three levels of government. The initiative's slogan is "One for all of the others". A share-point server has been established to converge existing phone systems and the service is currently accessible to 14 million citizens or about 25% of the population. Six of the 16 *Länder* have signalled that they do not wish to participate at this time. The approach of incrementally building a flexible system with voluntary participation can accommodate this.

Two years into piloting, Ministry of the Interior surveys shows that 81% of the population welcomes a single government phone number; 65% of calls have been dealt with conclusively on the first call and more than 75% of calls have been answered within 30 seconds. Local identity has been maintained (D115 briefing materials).

Challenges encountered in moving the program forwarded are cited by D115 officials as being:
- Complexity and range of actors. There are 16 federal ministries alone and it is "very complicated to get them onside – a very big task"[66] (Personal communications, federal officials, January 2011);
- The initiative has to accommodate a range of IT systems, each with specific processes, and at least one State committed to maintaining its own platform;
- As different political parties dominate each level of government, interests do not always coincide;
- The Basic Law and the constitutional division of powers is an obstacle;
- Risk aversion on part of some public servants;
- The public service culture is still more input than output- based;
- Insufficient incentives to cooperate and in some places this is not a local priority (e.g., the response is, "we will cooperate after we have done everything else").

Success factors are identified as:

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[66] Federal Officials. Interviewed by authors. Berlin, Germany. January, 2011.

- The current government led by Chancellor Angela Merkel launched an IT summit connected with E-Government which raised the profile of the initiative. "We have top-down support and permission";
- Continuity of funding;
- Explaining the value proposition: once data is standardized and consolidated local partners see that it makes things easier locally, not just for themselves in terms of explaining what they do, but citizens see the service working for them. In addition, motivation to participate is facilitated by the enhancement of IT budgets and positive support from management.
- Building networks –bringing people who work on the same things together in a community of practice;
- Leadership, energy, and commitment in each level of government – the project has attracted "people who are willing to work more than average";
- Linking D115 with Office Finder; aligning and standardizing text for intranet, internet and phone centres to make the process standardized and efficient.

Concluding Observations – Germany

Germany's constitutional framework gives the national government broad policy-making responsibilities but very little role in delivery and administration. This is distinct from the other two federations in this study (Canada and Australia), and has obvious implications for the joint delivery of services involving national and sub-national levels of government. For many reasons, including re-unification, Germany has been slower in adopting some of the public service reforms evident in other advanced economies, especially in areas such as the measurement and benchmarking of service quality. The degree of autonomy afforded to the *Länder* has resulted in mixed results in joint federal-local service integration initiatives. There is experience with state and local level collaboration on one-stop counters and telephone information hotlines, but considerable fragmentation remains. Variance is also reported in the quality, level and cost of nationally-mandated services provided by the *Länder* and municipalities.

Efforts by the federal government to modernize and integrate the delivery of labour market services – one of its few areas in which it has some constitutional powers in delivery and administration – has been hotly contested and delayed by municipally-driven concerns about loss of autonomy. An amended version of the initiative is now proceeding and newly shared political accountability for its success might well enable progress. On the other hand, continued municipal-level concerns about the trade-offs in accommodating top-down federal involvement in the context of local flexibility and autonomy might results in further challenges. In practice, as one might expect, there is mixed success in on-the-ground implementation of integrated services in the context of job centres, with local leadership and relationship management skills being key determinants of success.

The trajectory of the D115 integrated government phone information service has been very different. Although led by a powerful federal ministry, it has involved collaboration with the *Länder* from the outset. Cross jurisdictional working teams developed policy, strategy and the

design of delivery over a several year period, with communities of practice of like-minded IT and service quality professionals growing over the same period. The build has been incremental with a conscious effort from the outset to develop a strong win-win business case, and to evolve the project with a "coalition of the willing", as opposed to looking for nation-wide buy-in. This collaborative and more incremental, open network approach, while complex and time-consuming, is building successfully and showing early signs of success – while accommodating the "unwilling". This has been accomplished without inter-jurisdictional rancour and suggests that this incremental and iterative approach to public service reform is better suited to Germany's constitutional make-up.

CONCLUDING OBSERVATIONS ON JOINT SERVICE DELIVERY

Fenna [67] points out that "Federalism is a very specific form of government predicated on well-established norms and promising certain advantages but also one where significant differences in practice from one instance to the next make direct comparisons difficult." This holds true for this study, particularly in the case of Germany where the constitutional division of powers, including as this relates to service delivery, is strictly observed and fiercely protected by sub-national levels of government.   This in turn has significant implications for efforts to develop cross-jurisdictional approaches to service delivery. This can be contrasted with similar efforts in Australia and Canada where there is greater permeability across boundaries and hence more examples of both intragovernmental and intergovernmental service integration. In the UK the lion's share of public services has traditionally been delivered by the national government. The past decade has seen an increasing policy shift towards local delivery, with the national government playing a steering role in developing priorities, strategies and performance measures. Devolution provided an opening for certain moves towards closer coordination between the Scottish and local governments.

Service integration is one means of improving citizen and business interactions with government, while at the same time driving down costs. This commonly involves the co-location of pre-existing front counters, supplemented by one-window websites and call centres. This is supported by merging back office services (e.g., by building enterprise-wide information technology platforms, which can in turn drive efficiencies through standardization and consolidation).   Integration of these mostly-transactional services is now commonplace in many countries and is readily transferable and adaptable both within and between jurisdictions; Canada and Australia are regarded as being among the global leaders in this area.

Some jurisdictions are now de-emphasizing further investments in physical co-location and focusing instead on technologically-enabled "virtual co-location". This appears to be motivated partly by the achievement of a tipping point in physical co-location as well as recognition that virtual service delivery is more accessible and cost effective. In the case of the UK, the interest

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[67] Fenna, "Benchmarking in Federal Systems," 5.

in a more direct move to virtual delivery modes may reflect a decision to "leap-frog" over the physical co-location phase adopted elsewhere.

The expansion of virtual approaches to delivery commonly involves: cross-jurisdictional collaboration on identity validation and privacy issues; and offering one-window, web-based access to service bundles organized around key life events such as starting a businesses or dealing with bereavement.   Virtual co-locations have the advantage of being less threatening to institutional interests than their physical counterparts because participant jurisdictions can often retain their local branding and identity while receiving services from a remote provider.   On-line services drive up customer satisfaction and drive down costs from dollars to cents per transaction. This approach might be more viable in the context of German reforms as it builds on the experience of its single government telephone access line.

Less common, although growing in both number and sophistication, are efforts to integrate front-line human services to better serve multiple-needs clients and to address tough systemic issues such as poverty or homelessness. This is sometimes referred to as "wrapping services" around clients. At a minimum, this requires close cooperation mediated between departments, both within and between levels of government, and intensive engagement with local communities of the sort seen in Australia's Local Connections to Work initiative.

In a less traditional sense wrapping services around multiple needs clients can involve different forms of disintermediation in which there is more focus on mapping the aggregate spending of multiple siloed departments and determining how this might be allocated based on the priorities of communities, as opposed to focusing on the priorities of government departments. This implies a much more direct relationship between the funder and the client or local community. It suggests a transition away from thinking about "joining up" government and towards disintermediated or reshaped government. Place-based approaches such as Total Place (now Community Budgets) in the UK which envisages wrap-around service design based on community priorities, is a leading example of this experimental approach.   In writing on modern regulation and the control of external harms, Malcolm Sparrow notes that successful efforts by regulators to address complex challenges often involve partnerships which are formed around the shape of the knots (problems) themselves, rather than recasting the problem to conform to existing institutional structures or trying to devise it along traditional or programmatic lines."[68]

In wrap-around delivery models the importance of lead professionals (also referred to as case managers or system integrators) is critical in ensuring that services remain connected and funded and that the client and her or his family is involved with and understands service options. This requires that the lead professional carries authority in the system and, ideally, the ability to access pooled budgets or a funding allocation made available directly to the client.

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[68] Malcolm Sparrow, *The Character of Harms: Operational Challenges of Control* (Cambridge: Cambridge University Press, 2008), 65.

There are many impressive examples of organizations and professionals collaborating to better meet the needs of clients. These efforts are now being threatened by spending cuts, particularly in the UK – just when collaboration is crucial. The current focus on outcomes lends itself to the measurement of transactional and other short to medium term deliverables (e.g., waiting times for key health procedures such as MRI testing or knee replacements). Long term investments in early interventions for children or for young repeat offenders, are a more complex and do not lend themselves to short-term political "wins". As one government official noted, "Ministers want fireworks … but it is better to use tracer bullets."

Three over-riding observations emerge from this study.

First, while there is a spectrum of jointly-delivered services ranging from high volume transactional services to the more complex delivery of human services, and on axes that are either horizontal or vertical, few countries have followed a common pathway. For example, the UK is breaking new ground with advanced approaches to wrap-around human services well before it has established fully integrated transactional services. While this variability in approaches does not make for simplistic step-wise comparisons, it offers a rich source of experimentation and mutual learning opportunities.

Second, as information technology investment and capacity matures, it is becoming an increasingly critical factor in strategy development, especially in the provision of transactional services. Common to Australia, Canada and the UK is a current focus on virtual co-location of on-line services and back-office information sharing.

Third, more recent approaches to the integration of community and justice services are emphasizing disintermediation of traditional service delivery chains. Instead, in its most advanced form, there is more focus on mapping the aggregate spending of multiple siloed departments and determining how this might be allocated based on the priorities of communities. This implies a much more direct relationship between the funder and the client or local community. It suggests a transition from thinking about "joining up" government and towards disintermediated or reshaped government in which services are increasingly provided by tightly coordinated networks of local providers.

APPENDIX A

Research on Joint Service Delivery

We have been commissioned to provide a state of play report on joint government service delivery in the UK, Germany, Australia and Canada. As we expect to spend several weeks in total on this project, we expect snapshot level material which will result in a report of about 60 pages. This work has been commissioned by The Forum of Federations: "the global network on federalism, supports better governance through learning among federalism practitioners and experts. Active on six continents, it manages programs in established and emerging federations and publishes information and educational materials. www.forumfed.org

Our research is guided as follows:

- Our key question is: In your jurisdiction (whether at the national, sub-national (i.e., state or province) or local level), to what degree are two or more levels of government working jointly in the delivery of services directly to citizens?

- Within this we are interested in critical success factors or challenges associated with these efforts; and the funding, accountability and reporting relationships that are in place or are evolving.

- We are interested in side-by-side planning and delivery to citizens, as opposed to negotiated central government transfer payments for a specified outcome, or coordinated back-office functions (e.g., IT, payroll, etc.).

- Examples of particular interest are: (a) shared delivery of transactional, over-the-counter services (e.g., renewing a national driver licence at the same counter as renewing a local parking permit); or, (b) a cross-jurisdictional approach to the delivery of health, social or community services (e.g., where a national and local government plan, coordinate and deliver integrated services to seniors or special needs children in particular communities).

- We are looking for projects that might be at the planning stage, status reports of work in progress, or the experience of projects at a relatively mature stage.

We do understand that some jurisdictions, by virtue of constitutional arrangements, have a stronger tradition of working across jurisdictional boundaries than others. Nevertheless, the acceleration of public service reforms over the past decade has included a broad range of initiatives under the rubric of "joined up" service delivery and we are interested in a comparative snapshot of current trends and practices in England, Scotland, Germany, Australia and Canada. Some jurisdictions are now looking beyond "joined up" government or departmental services and toward a much closer relationship between funder and client/citizen. In this sort of model it is posited that the aggregated resources of multiple and relatively siloed delivery agents might be better channeled more directly to clients or communities based on individual or local needs ("Total Place" projects in the UK are an example of this approach). These approaches fall within our sphere of interest.

Interviewees

Name	Organization
Helen Bailey – Director, Public Services	HM Treasury; London, UK
Karen Balfour – Senior Policy Officer	Be Birmingham; Birmingham UK
Kate Blatchford – Research Analyst	Institute for Government; London, UK
Dr. Dominik Bollhoff – Project Director	Ministry of the Interior; Berlin, Germany
Graham Carters – Deputy Secretary Responsible for Job Services for Job Seekers	Department of Human Services - Government of Australia; Canberra
Ian Davidson - Deputy Director - Local Government – Outcomes and Partnerships Division	Government of Scotland; Edinburgh
Nicky DeBeer – Head of Operations	Local Government Leadership; London, UK
Frank D'Onofrio – Assistant Deputy Minister, Business Development Division	Ministry of Government Services, Government of Ontario; Toronto, Canada
Kevin Doyle – Director – Federal/Provincial/Territorial/Municipal relations	Government of Canada; Ottawa
Patrick Dunleavy	London School of Economics; UK
Dr. Gisela Farber – Professor	University of Public Administrative Sciences; Speyer, Germany
Dr. Jobst Fiedler – Professor Public and Financial Management	Hertie School of Governance; Berlin, Germany
David Fletcher - Judge	North Liverpool Community Justice Centre; Liverpool,UK
Liseanne Forand – Senior Associate Deputy Minister of Human Resources and Skills Development and Chief Operating Officer	Service Canada, Government of Canada; Ottawa
Lesley Fraser - Deputy Director – Children and Families Directorate	Government of Scotland; Edinburgh
Karen Goode – Lead Officer	Be Birmingham; Birmingham, UK
Katy Haire – Executive Director	Department of Premier and Cabinet; Victoria, Australia
Kerri Hartland – Deputy Secretary	Department of Human Services, Government of Australia; Canberra
Ralph Hoffman – Tax Administration Division	Ministry of Finance; Berlin Germany
Markus Keller – Referent	Deutscher Landkreistag; Berlin, Germany
Lutz-R. Voss – Senatsdirigent	Senatsverwaltung fur Justiz; Berln, Germany
Hendrik Luhmann – Administrative modernization and organization for the	Ministry of the Interior; Berlin, Germany

German Federal Administration	
John McIlveen – Senior Probation Officer	North Liverpool Community Justice Centre; Liverpool, UK
Sue Mcready – Centre Manager	North Liverpool Community Justice Centre; Liverpool, UK
Jerrett Myers – Senior Researcher	Institute for Government; London, UK
Dr. Julia Pieper – Principal Constitutional Affairs	Ministry of the Interior; Berlin, Germany
Henrik Scheller – Project Manager	Bertelsmann Stiftung; Berlin, Germany
Bob Stark – CEO	ServiceOntario, Government of Ontario; Toronto, Canada
Richard Steele – Assistant Deputy Minister, Business Improvement	Service Ontario, Government of Ontario; Toronto, Canada
Ken Thomson - Director – Constitution	Government of Scotland; Edinburgh
Grant Tidswell – Deputy CEO	Centrelink; Canberra, Australia
Lutz-R. Voss – Senatsdirigent	Senatsverwaltung fur Justiz; Berlin, Germany