



STATE OF THE SERVICE REPORT 2002-03

STATE OF THE SERVICE SERIES 2002-03



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The APS Values, as set out in the PS Act, require APS employees to deliver services to the public fairly, effectively, impartially and courteously, and to be sensitive to the diversity of the public. The APS Values also require APS employees to perform their duties professionally and ethically and to be openly accountable.

Just over 60% of APS employees are directly involved in delivering services to the general public or manage employees who do.¹ A range of legislative and policy requirements provide a framework to guide agencies in developing the standard and content of those services.

In addition to delivery of services to the public, consultation and engagement with stakeholders continues to grow in importance. Greater involvement of the public as citizens and customers has increased in priority, and there is growing pressure on the APS to develop systems and processes to understand the different values and perspectives of stakeholders and clients.

This chapter reports on progress in the implementation of effective service delivery in APS agencies. It draws on data from the agency and employee surveys, from NOIE, from ANAO performance audits and from published and unpublished material provided by the Ombudsman. It also looks at issues of public consultation and provides examples of where consultation in policy and program development has been used effectively in the APS.

IMPROVING SERVICE DELIVERY

Over the last 25 years there has been a strong focus on public sector reform in Australia, with improvements in service delivery being an important part of this reform. Drivers of improved service delivery include a better informed, better educated and more demanding public, and improvements in technology, which have increased the capacity to provide more immediate and responsive services. Competitive pressures have also demanded increased productivity, and facilitated higher quality and effectiveness.

The increased focus on improving service delivery is reflected in the approaches of a number of agencies. One example is the Job Network, a system of non-government organisations, both profit and non-profit, which have won tenders to provide employment-related services to unemployed people on behalf of DEWR. The Job Network seeks to tailor services more to individual needs, and provides an element of choice for individuals over their service provider. Evaluations of the Network have concluded that the new system is substantially more cost-effective than the former employment services arrangements, and that the quality of service has improved.²

Another example of the focus on improving service delivery is the establishment of Centrelink in 1997. Centrelink was established as a specialist government service provider, delivering social security and other payments and benefits, and related services, on behalf of a range of departments. Centrelink's main client is FaCS, with which it has a business partnership agreement that sets out the performance required of

¹ This figure is based on data obtained from the survey of APS employees conducted by the APS Commission for this report.

² Evaluation and Programme Performance Branch, DEWR, *Job Network evaluation: Stage three effectiveness report*, May 2002.

Centrelink in delivering social security payments. Similar agreements exist with a wide range of other departments at both Commonwealth and State levels. This multiplicity of partnerships and the associated range of services provided by Centrelink have allowed it to become more customer-focused, and to deliver more integrated services tailored to individual circumstances.³

Reflecting this focus on service delivery, there has been an increasing investment in customer-focused training and reinforcing behaviours that promote APS Values concerning the public. For example, Centrelink has invested heavily in skills development to enhance its customer focus. This includes the establishment of the Centrelink Virtual College in 2001, which acts as a broker of learning, enabling Centrelink's staff to access nationally accredited qualifications and technical training to provide them with high-level skills to deliver excellence in customer service. It has also developed an Expectations Statement that sets out how staff should interact with customers, which is incorporated into a mandatory induction program for new starters.⁴

The extent to which agencies are taking a more individualised approach to service delivery, and their level of investment in customer-focused training was not specifically assessed in the agency or employee surveys. Nevertheless, this area remains an essential activity for APS performance, and will be addressed in future State of the Service reports.

SERVICE CHARTERS

A key mechanism that the Government has used to encourage increased focus on service delivery improvement has been the introduction of agency service charters. All government bodies that deliver services directly to the public are required to implement a service charter. Agencies with policy development functions are also encouraged to develop charters. The Government revised its initial guidelines for service charters in 2000 and reissued them as the *Client Service Charter Principles*.⁵ The revised principles give greater focus to reviewing charters, monitoring and reporting performance against client service standards, and recognising the needs of diverse client groups, such as people with a disability and those living in rural and regional Australia. The guidelines are overseen by the APS Commission.

The APS Commission administers the *Service Charter Awards for Excellence*, which recognise and encourage high standards of service to the public by departments, agencies and their staff. The 2002 awards were reported in the *State of the Service Report 2001–02*. The 2003 awards will be presented in late 2003 and will be reported in the *State of the Service Report 2003–04*.

Requirements for client service charters are complemented by the *Charter of Public Service in a Culturally Diverse Society*, introduced in 1998. This charter articulates the Australian Government's strategy for ensuring that government services are delivered in a way that is sensitive to the language and cultural needs of all Australians. The charter is overseen by DIMIA. DIMIA's *Access and Equity Annual Report 2002* illustrated the considerable progress that had been made in implementing and reporting on access and equity against the charter's performance management framework.⁶

³ See for example, S Vardon, Chief Executive Officer, Centrelink, 'Moving service delivery forward—the practical and the tactical', speech to the Lac Carling VII Conference, Quebec, Canada, 25 May 2003, <http://www.centrelink.gov.au>

⁴ See APS Commission, *Embedding the APS Values*, August 2003, for more details.

⁵ Service Charter Unit, Finance, 2000, *Client Service Charter Principles*, <http://www.apsc.gov.au>

⁶ DIMIA, http://www.immi.gov.au/annual_report/index.htm

The effectiveness of service charters is dependent on a number of issues, including the ability of agencies to successfully monitor and report on client satisfaction using quantifiable performance indicators. In establishing such indicators, agencies need to carefully consider the feedback mechanisms most appropriate for providing them with information on client satisfaction. Effectiveness can also be assessed by service delivery staff's awareness of their agency's service charter, and their views on the impact that the charter has on their service delivery work. These issues were explored through the agency and employee surveys. Data from the surveys are complemented by a review of service delivery information in selected annual reports.

COVERAGE AND REVIEW

The agency survey found that 64 agencies (72%) have an agency-wide service charter in place. This was similar to the proportion of agencies that reported having a service charter in 2001–02. A further two agencies indicated that an agency-wide service charter was being developed. Service charters were more common in large agencies (91%) than small agencies (63%).

Fifty-eight per cent of agencies that have or are developing a service charter have revised their charter to incorporate the new service charter principles established in June 2000. Another 27% are planning a revision for 2003–04. Small agencies were more likely to have revised their service charter in line with the new principles than medium or large agencies (68% compared with 50% for both medium and large agencies).

PERFORMANCE INDICATORS AND SERVICE STANDARDS

The client service charter principles place a strong emphasis on the monitoring and reporting of client satisfaction. They provide that service charters must include service standards and have avenues for clients to provide feedback and make complaints. There must also be mechanisms to report on that data.

The client service charter principles state that when deciding which service standards to publish, agencies should take account of their ability to measure performance against each standard. The agency survey found a high level of use of quantifiable performance indicators or service standards for the quality of services provided to the public, such as numbers of complaints and compliments received, results from client surveys and data on timeliness of service. Seventy-seven per cent of agencies with public contact stated that they had identified such indicators or standards and a further eight per cent said they were being developed. Quantifiable indicators or standards were more common in large (96%) than small (69%) agencies.

Eighty per cent of agencies that had or were developing quantifiable indicators reported internally and/or externally against them. The most common place for reporting mechanisms was the agency's annual report (93% of agencies reporting against indicators), reflecting the requirement for agencies with a service charter to publish performance against their charter commitments in their annual report. The proportion of agencies reporting to internal agency management structures was also very high (90%). Sixty-two per cent of agencies reported against quantifiable indicators to internal service delivery units or teams, and a further seven per cent were developing such reporting mechanisms.

Feedback mechanisms

The agency survey asked agencies that have contact with the public about the mechanisms they used for obtaining feedback from the public. The most common method for obtaining feedback was a complaints/feedback website link, reported by 80% of agencies that have contact with the public. Other widely used methods were customer surveys (69% of agencies) and complaints/feedback phone hotlines (60%). Forty per cent of agencies that have contact with the public indicated that they had mechanisms in addition to those specified in the survey. These included feedback forms or comment slips available on-site, and regular meetings with clients or focus groups.

Under the client service charter principles, agencies are required to publish a summary of client complaints and feedback in their annual reports. Agencies have taken different approaches to this requirement, with the extent of quantifiable information varying considerably. Examples of the type of information on customer feedback contained in agencies’ 2001–02 annual reports are set out at Table 5.1. A case study of the DVA approach to measuring client satisfaction is also provided.

Table 5.1: Client satisfaction—examples of information from agencies' 2001–02 annual reports

Agency	Measure	Outcomes—2001–02
DEWR	Job Network—complaints lodged through customer service line	22,104 calls registered, 36% being complaints relating to quality of service.
	Client feedback system (predominantly workplace relations services)	4 complaints, 50 compliments.
DCITA	Client survey (covering broad range of indicators)	95% of clients rated staff service as satisfactory to excellent. Areas of strength: willingness to assist; timeliness of advice. Two areas identified for improvement—consultation with clients about development and review of policy and responding to client inquiries by email.
NMA	Written comments—visitor feedback database	More than 2000 written comments from visitors regarding services, programs, exhibitions, buildings and facilities. Negative comments mostly related to lighting or size of text labels. Positive comments mostly related to exhibition content and friendliness of staff.
CSA	Professionalism survey	Results remained stable. Attributes relating to personal characteristics of staff (politeness, helpfulness, sincerity and ability to listen) rated well by clients.

Table 5.1: Client satisfaction—examples of information from agencies' 2001–02 annual reports (continued)

Agency	Measure	Outcomes—2001–02
Customs	Comprehensive system to record, analyse and action complaints and compliments received through a variety of methods.	1695 complaints and 980 compliments received. Most complaints related to Tourist Refund Scheme, staff attitude, and queuing. 48% of compliments related to staff being helpful and informative. A number of significant initiatives and improvements implemented as a result of client feedback.
Centrelink	Four customer satisfaction surveys covering service delivery channels, customer service centres and call centres, as well as qualitative research into customer expectations.	Broad range of indicators. Examples of proportion of customers rating Centrelink positively include: 78.5% for accuracy of information and 88.8% for staff helpfulness (call centre survey); 59.0% for ease of access to services and 80.0% for timeliness of decisions (National Customer survey).
DAFF	ABARE—client surveys on quality and level of services AQIS—feedback register for complaints and compliments	96% of clients would purchase from ABARE again and 95% would recommend products or services to others. Majority of complaints voiced concern about delays in entry processing. Several compliments received for high performance of AQIS's service to clients.
ITSA	Monitoring of complaints about service standards and compliments	23 complaints received; 12 found to be justified. Complaints related to timeliness, accessibility and employee attitude. 41 formal compliments recorded relating to usefulness of information and employee attitude.

Note: Table includes examples only, and is not intended to be comprehensive.

Source: 2001–02 annual reports

DVA—MEASURING VETERAN SATISFACTION

DVA serves a veteran community spread across the country, including more than 111,000 veterans and dependants who live in regional areas. The veteran community receives information and assistance primarily through a network of state and regional offices and contracted agents. The department's website is being used more frequently to access information about entitlements.

Veteran satisfaction is measured through regular surveys. The format for the surveys was revised in 2002 and the first quantitative phase was completed in June 2003 with questionnaires sent to 2700 DVA clients from three different groups—health, income support and disability compensation.

The results of the survey show that satisfaction with DVA service delivery remains high, with 91% of respondents satisfied with the service they received. Six per cent of respondents were neither satisfied nor dissatisfied, and three per cent were dissatisfied. Compared with the previous survey conducted in February 2002, satisfaction among the health and income support groups remained stable at 92–93%. Satisfaction among the disability compensation group rose from 82% in February 2002 to 86% in June 2003.

When the survey was revised in 2002, a new question was introduced in order to gauge the importance of various aspects of DVA service delivery. From a list of eight service delivery factors, respondents were asked to select up to three factors that were the most important to them. The majority of respondents selected accurate information, staff skills and knowledge, and staff attitude.

DVA also records client satisfaction through a feedback management system, a computer program to record and analyse comments about the quality of DVA's service delivery. During 2002–03, DVA recorded 218 complaints, compared with 339 in 2001–02. Of these, 63.4% of complainants were satisfied with the way the department handled their complaint, 29.2% were neutral, and only 7.4% were dissatisfied.

The four most common complaints were:

- the appropriateness of service/information provided
- timeliness of service
- lack of courtesy of staff
- accessibility of service/information.

DVA also recorded 653 compliments, compared with 754 in 2001–02. The four most common compliments were:

- helpfulness of staff
- courtesy of staff
- appropriateness of service/information provided
- timeliness of service.

There was considerable variation among agencies in relation to their use of feedback mechanisms on the basis of size. In particular, small agencies involved in public contact activities were more likely than large agencies to use a complaints/feedback website link (88% compared with 77% for large agencies and 71% for medium agencies), and large agencies were more likely to use customer surveys (82% compared with 56% for small agencies) and phone hotlines (73% compared with 53% for small agencies). These differences could reflect a number of issues including different types of clients and relationships, different ways of doing business or different levels of available resources, with small agencies opting for less costly mechanisms. Agencies involved in public contact activities were also asked which were the most important of the feedback mechanisms they used. The mechanisms most frequently identified as most important were customer surveys (identified by 33% of these agencies) and complaints/feedback phone hotlines (identified by 29% of agencies).

SERVICE CHARTER AWARENESS AND EFFECTIVENESS—EMPLOYEE VIEWS

The employee survey found a high level of awareness of service charters among employees directly involved in service delivery to the general public, with 86% of employees involved in service delivery stating that their agency had a current service charter. However, the level of awareness of the existence of a service charter varied considerably across agencies. For the 19 large agencies with a service charter, employee awareness of the existence of a charter ranged from a low of 54% to a high of 98% at Centrelink.⁷ Nevertheless, of the nine large agencies where more than 60% of employees were involved in direct service delivery, all but two had at least 85% of employees aware of the existence of a charter. Employees at small agencies with service charters were less likely to be aware of the charter than large agencies (81% compared with 88%).

Employee responses also indicate a high level of awareness of the content of their agency's service charter. Seventy-one per cent of employees involved in direct service delivery who believed that their agency had a service charter indicated that they had a high level of awareness of its content, with another 24% indicating a moderate level of awareness. Results again varied considerably between agencies. For large agencies with a service charter, the proportion of employees rating their awareness of the content as 'high' ranged from a low of 38% to a high of 78% (at both Centrelink and the CSA).⁸ Employees in small agencies with service charters were less likely to rate their knowledge of the content of their service charter as 'high' (59%) than employees in large agencies (72%).

Employees were generally very positive about the role of their agency's service charter in improving service delivery. Seventy-five per cent of service delivery employees who believed their agency had a service charter agreed that it helped them deliver quality services to the public, and only four per cent disagreed. Where employees indicated that they had a high level of awareness of the content of the service charter, they were even more positive, with 86% agreeing that it helped them deliver quality services.

There were considerable differences in employees' level of awareness and view of the effectiveness of service charters, depending on their location. Employees outside the ACT involved in direct service delivery were more likely to indicate a high awareness of the content of their service charter (72%) than those working in service delivery in the ACT (64%). Similarly, employees outside the ACT were more likely to agree that their service charter helped them deliver quality services to the public (78%) than those within the ACT (60%). These results suggest that agencies may need to ensure that service delivery staff in the ACT receive the same level of training and information about service charters as those outside the ACT, even where most of their ACT staff are not delivering services to the public.

Every person whose administration under the Bankruptcy Act is handled by ITSA (over 20,000 people each year) is given a copy of ITSA's client service charter. The charter has 'How to complain' as one heading on the cover and contains ITSA's complaints-handling procedures and contact numbers. The charter was developed through a process of client focus groups and feedback from client opinion surveys.

⁷ For the 19 large agencies with service charters and where results are statistically valid for this question.

⁸ For the 18 large agencies with service charters and where results are statistically valid for this question.

The Refugee Review Tribunal Client Service Charter pamphlet with complaint mechanisms outlined is sent with every application acknowledgement.

The Centrelink Customer Charter is a feature in the public contact area of every customer service centre, with a charter poster on the wall, charter pamphlets on the rack and a charter place mat on the desk at every contact point. The charter is also reproduced in all core products.

The employee survey asked employees involved in direct service delivery whether their work unit received regular feedback from the public (directly or indirectly) on the quality of services it provides to the public. Seventy-one per cent of these employees did receive feedback and 22% did not. There was again considerable variation among agencies. Of the nine large agencies where more than 60% of employees reported that they deliver services to the general public, the proportion of employees receiving feedback ranged from 59% to 100% at the CRS. Medium agencies had the lowest proportion of employees receiving feedback (61%). There was little difference in results for small and large agencies.

A substantial majority of employees receiving feedback (75%) said that there were formal mechanisms in place in their work unit for responding to feedback from the public. The majority of these employees also thought that these mechanisms were effective. Sixty per cent of employees in work units that had formal mechanisms in place thought that the mechanisms were highly effective in allowing them to respond to feedback from the public, while another 31% thought that they were moderately effective. Only 6 per cent of employees rated their effectiveness as 'low'.

GOVERNMENT ONLINE AND E-GOVERNMENT

Service delivery in the APS has been increasingly affected by changes in technology that have the potential to dramatically improve the effectiveness of service delivery. The current public service environment is characterised by continued pressure for greater efficiency and effectiveness, rising community expectations for more convenient and sophisticated services and issues that increasingly transcend agency boundaries. The challenge for agencies is to use technology and information management to enhance their responsiveness to changing priorities and continually improve policy, program and service delivery.

The Australian Government recognised the potential of online technology to improve government service delivery in its *Investing for Growth* statement by committing to put all appropriate services online by 2001.⁹ The Government Online strategy was launched in April 2000, in pursuit of this commitment.¹⁰ The Prime Minister confirmed that the 2001 target had been met in his opening address to the World Congress on Information Technology in February 2002.¹¹

The e-government agenda is now more complex. E-government describes the use of available and emerging technologies to create seamless, responsive and citizen-focused government for the benefit of all Australians. The focus has shifted from putting services online to integrating new technology with government administration and service delivery to deliver better results.

⁹ The Commonwealth of Australia, *Investing for Growth*, 1997.

¹⁰ NOIE, *Government Online—The Commonwealth Government's strategy*, April 2000. <http://www.noie.gov.au>

¹¹ The Hon John Howard MP, Addressing the Opening of the World Congress on IT, Convention Centre Adelaide, 27 February 2002.

In its 2002 report on Australian Government use of information and technology, MAC found that there is a growing demand for government to provide more integrated and interactive information and services.¹² It stated that information and communication technology (ICT) increasingly plays an important role in determining the quality and accessibility of services. It also emphasised that the development of effective whole of government approaches to ICT is critical to achieving further significant gains in the delivery of government services.

In October 2002, in response to MAC's recommendations, the Government established the Information Management Strategy Committee to provide shared leadership on cross-agency technology issues.¹³ A framework for the next stage of e-government, *Better Services, Better Government*, was released in November 2002.¹⁴ It outlines broad directions and priorities for the future of e-government, and seeks to maintain the momentum of the Government Online strategy. *Better Services, Better Government* focuses on delivering citizen-focused services, integrating related services, building user trust and confidence and enhancing citizen engagement with government.

APS agencies have made considerable progress towards effective e-government. NOIE publishes an information economy index annually, which measures readiness to participate in the information economy, and intensity of this participation.¹⁵ The index draws on 23 indicators, including two that are particularly relevant to government service delivery: the penetration of online government services and government preparedness to supply services online.

The index draws on data from AC Nielsen to show that in September 2002, when the penetration of online government services for 12 countries was benchmarked, Australia was placed second to Canada, with 32% of home internet users accessing government websites. These data are broadly supported by ABS data, which show a growing proportion of people accessing government services via the internet for private purposes, up from 16% of all adult Australians in 2001 to 21% in 2002.¹⁶

The NOIE index also presents analysis of two recent e-government studies, both of which rated Australia's e-government effectiveness highly, demonstrating that there is a high level of preparedness on the part of government agencies in terms of providing relevant services online and the necessary supporting e-government infrastructure and regulatory regimes.¹⁷ Australia was rated fifth overall out of the 12 countries, behind countries considered some of the most connected and advanced information economies, including the US, Canada and Sweden. NOIE is currently developing appropriate evaluation frameworks and benchmarks to assess progress on key performance indicators across the federal government sector in relation to e-government.

¹² MAC Report No. 2, *Australian Government use of Information and Communication Technology*. October 2002, <http://www.apsc.gov.au>

¹³ The IMSC is chaired by the Secretary of DCITA, with secretariat support provided by NOIE. For more information and terms of reference see <http://www.imsc.gov.au>

¹⁴ NOIE, *Better Services, Better Government: the Federal Government's E-government Strategy*, November 2002.

¹⁵ More detailed information about the index is available on the NOIE website at <http://www.noie.gov.au>

¹⁶ ABS Cat. No. 8416.0.

¹⁷ UN/American Society for Public Administration, *Benchmarking e-government: A Global Perspective*, 2002 and Accenture, *E-government Leadership: Engaging the Customer*, 2003. See <http://www.noie.gov.au> for more detail.

A number of the ANAO's performance audits have addressed issues relating to the management of e-business. In particular, the ANAO has examined education and training services provided, or managed, by DEST via IT or the internet.¹⁸ The ANAO concluded that DEST's management of its internet presence and its e-business was sound. It considered that DEST had developed a management culture that encouraged a focus on quality in relation to its IT and e-business. While noting that improvements could be made in measuring the benefits of, and assuring the quality of, its e-business systems, the report indicated that DEST was addressing these with the introduction of a new systems development methodology.

The ANAO also examined whether Centrelink has effective business continuity management strategies and associated risk management procedures and plans in place to ensure that it can continue to deliver programs in the event of a crisis, including in relation to its IT systems.¹⁹ It found Centrelink has comprehensive frameworks in place that generally minimise the likelihood of outages to critical business processes. However, it also found some continuity risks, including that some elements of Centrelink's IT environment do not have sufficient continuity controls and treatments. Centrelink has agreed to all recommendations made by the ANAO.

REVIEWS OF ADMINISTRATIVE DECISION-MAKING AND SERVICE DELIVERY

A suite of Commonwealth administrative law mechanisms supports public scrutiny of government decision making. These mechanisms include the Ombudsman (who is also Defence Force Ombudsman and Taxation Ombudsman), internal review by some agencies, external review by certain specialist tribunals and the Administrative Appeals Tribunal (AAT), review under the *Administrative Decisions (Judicial Review) Act 1977 (Cth)*, and access to documents under the *Freedom of Information Act 1991 (Cwlth)*.²⁰ With the exception of the Ombudsman, these processes generally concentrate on administrative decision making, rather than on the process of service delivery. Many of the ANAO's performance audits of specific government programs also deal with issues related to service delivery and accuracy of decision making. Information from ANAO audits on service delivery issues and the activities of the Commonwealth Ombudsman are discussed below.

ANAO PERFORMANCE AUDITS

In 2002–03, the ANAO tabled several performance audit reports which addressed the theme of service delivery in the context of the delivery of specific programs or components of programs.²¹ Recommendations stemming from these reports related specifically to the programs audited, but key themes included the need to:

- improve performance management and reporting, including by enhancing the range of performance indicators and means of measuring performance
- better track the processing of claims and the management of appeals to improve issues of timeliness
- improve documentation

¹⁸ ANAO, *Management of E-business in the Department of Education, Science and Training*, Report No. 33, March 2003.

¹⁹ ANAO, *Business Continuity Management and Emergency Management in Centrelink*, Report No. 9, October 2003.

²⁰ The availability of review mechanisms varies depending on a range of factors, including the specific legislative context. For a comprehensive description of Commonwealth administrative law see; M Allars, *Australian Administrative Law: Cases and Materials*, Butterworths, 1997, or refer to the website of the federal Attorney-General at <http://www.law.gov.au/www/agdHome.nsf>

²¹ ANAO, Audit Activity Report: July to December 2002, No. 29 and Audit Activity Report: January to June 2003, No. 2.

- increase the accountability of staff for their decisions and advice, and improve quality assurance and consistency of decision making.

In each case, the agency concerned agreed to the ANAO's recommendations.

COMPLAINTS FROM THE PUBLIC TO THE COMMONWEALTH OMBUDSMAN

The nature of the complaints and investigations dealt with by the Ombudsman provides an insight into the overall effectiveness of service delivery in the APS, and practical issues facing particular agencies. Information in this section has been provided directly by the Ombudsman, and includes statistics included in the Ombudsman's 2002–03 annual report and additional analysis of systemic issues facing the APS.

Own motion investigations

During the year, the Ombudsman completed investigations on his own motion and reviews of the complaint-handling mechanisms of two major agencies, issuing public reports including recommendations for changes and improvements.²² These reports involved the complaint-handling activities of the ATO and DEWR (including Job Network provider complaints mechanisms). In general, the Ombudsman found that these agencies had effective policies and procedures for dealing with customer complaints. However, a range of improvements were suggested, most of which have already been implemented by the agencies concerned.²³

A further own motion investigation remains in progress, involving complaint-handling by DIMIA (including the handling of complaints within detention centres managed by private contractors).

A common theme in the Ombudsman's reports is the importance of using complaint handling mechanisms to provide systematic input into agencies' program management and policy review processes. This role, going beyond the treatment of individual complaints, is central to sustained improvement in customer service.

Complaints to the Ombudsman

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

In 2002–03, the Ombudsman did not initially investigate two thirds of the complaints received, a similar rate to that for the previous year. The upshot is that complaints that are investigated by the Ombudsman tend to involve more complex and difficult issues.

²² The Ombudsman Act provides the Ombudsman with an extensive range of powers to investigate actions following complaints or on his own motion.

²³ Full copies of the reports are available from the Ombudsman's website on <http://www.comb.gov.au>

The total number of complaints received by the Ombudsman in 2002–03 rose to 19,850, an increase of three per cent over the previous year.²⁴ While it is difficult to establish a clear reason for the overall increase in complaint numbers, the Ombudsman advises that there has been a long-term trend for his office to receive more complaints in the middle years of the election cycle, and fewer in years in which an election is held.

Centrelink remains the APS agency about which the most complaints are received, probably due to its role in the delivery of a large number of Commonwealth programs to a wide cross-section of the Australian public. Complaints about Centrelink finalised during the year rose by almost 10% to 9696, accounting for 58% of complaints about APS agencies. In two-thirds (67%) of complaints about Centrelink, the Ombudsman did not investigate the complaint, in most cases (80%) because the complainant was referred to Centrelink’s internal complaint or review processes. Of the 2631 Centrelink issues investigated, the Ombudsman identified an arguable administrative defect in 734 issues (28%). Remedies were achieved for 2161 issues.²⁵

The number of complaints received about the ATO continued to decline (1909, down by 27% on 2001–02), perhaps reflecting the bedding down of the major changes to the taxation system over the past 2–3 years. Complaints about the ATO represent 11% of complaints about APS agencies. This translates to the level of complaints received by the Ombudsman about the ATO prior to the introduction of the new tax system.

The Ombudsman received 2432 complaints about the CSA, representing almost 15% of complaints about APS agencies and an increase of 21% on CSA complaints received last year. The bulk of this increase has been attributed to issues about the CSA’s collection enforcement and most probably relates to a change to CSA processes with respect to the interception of tax refunds.

DIMIA was another significant source of complaints received by the Ombudsman during 2002–03, with 1121 complaints received, just 23 (2%) higher than last year. Against the general average of 29% across all Commonwealth agencies²⁶, the Ombudsman investigated 47% of complaint issues arising from complaints about DIMIA, the higher investigation rate perhaps reflecting the more limited availability of alternative review for DIMIA’s complainants. Nevertheless, of the 578 DIMIA issues investigated, the Ombudsman identified arguable administrative defect or error in only 127 issues (22%). This compares favourably with the Commonwealth average of 29%.

Systemic issues

Changes to the family assistance system implemented in July 2000 resulted in many complaints to the Ombudsman about Centrelink, FaCS and the ATO. The Ombudsman conducted an own motion investigation of systemic issues surrounding the delivery of the payments and issued a public report during the year.²⁷ Two major themes that arose involved the implications of the income estimate process (on which benefits are calculated) and the methods used to recover overpayments. The report found that some families with fluctuating income patterns incurred unavoidable overpayments or were underpaid. It further

²⁴ Complaints received in all jurisdictions, including Defence Force, Australian Federal Police complaints and ACT. In 2002–03, 16,635 complaints about the Commonwealth agencies that comprise the APS were finalised, a rise of three per cent over the 16,250 completed in the previous year.

²⁵ In addition to addressing an administrative defect, remedies could include for example addressing unreasonable delays, explanations, or apologies.

²⁶ Commonwealth and Defence Force complaints (excludes Australian Federal Police complaints).

²⁷ Commonwealth Ombudsman, February 2003, *Own Motion Investigation into Family Assistance Administration and Impacts on Family Assistance Office Customers*, see <http://www.comb.gov.au>

highlighted some of the problems with strict enforcement of recovery procedures, including the withholding of tax refunds. The Ombudsman made a range of recommendations to improve the policies and processes supporting the system, and continues to negotiate with FaCS on their implementation.

The Ombudsman also issued a public report on the application of breach penalties by Centrelink and FaCS, again arising from an own motion investigation triggered by a continuing stream of complaints from Centrelink clients about breaches for some benefit categories.²⁸ The agencies involved have now implemented all of the recommendations made by the Ombudsman to ameliorate any harsh application of activity tests and penalties for relatively minor breaches.

The Ombudsman conducted an own motion investigation into reporting of incidents in detention centres, concluding that there was a need to develop mandatory standards for such reports, quality control and tracking, and the implementation of a database to facilitate systemic analysis.²⁹ In particular, there should be better linkage of complaints handling and incident reporting. Over the coming year, the Ombudsman has advised that he will review progress towards a more accountable framework within detention centres.

The Ombudsman also commenced an own motion investigation into the ATO's use of entry and search powers, as recommended by the Scrutiny of Bills Committee in 2000.

There continue to be a large number of complaints that, in the Ombudsman's view, indicate the presence of other systemic issues in APS agencies. Many complainants are concerned about agency decisions that directly affect them, and complain that they have not been given sufficient reasons or that the decisions are flawed. Investigation of such complaints is often complicated due to poor recordkeeping by agencies or failure to record oral advice. This latter issue is of particular importance, given the widespread use of customer contact centres to respond to queries in large service delivery agencies. Complaints about call centres arise particularly in relation to Centrelink, CSA and ATO. The other major area that continues to result in complaints to the Ombudsman is delay by agencies in taking actions or making decisions, including delays in handling freedom of information requests and issuing documents. Other matters raised include:

- harsh or unreasonable use of statutory powers to gather information or enter premises
- unreasonable debt recovery policies and practices
- failure to coordinate decisions and actions between agencies
- inadequate, misleading or ambiguous information in publications or on websites
- loss of correspondence.

The Ombudsman is reviewing the manner in which his office coordinates the investigation of many thousands of individual complaints about APS agencies with the much smaller number of very complex or systemic investigations. It is likely that new structures and processes will be introduced in 2003–04 that will lead to greater consistency in complaint handling and outcomes.

²⁸ Commonwealth Ombudsman, October 2002, *Social Security Breach Penalties—Issues of Administration*, see <http://www.comb.gov.au>

²⁹ Commonwealth Ombudsman, March 2001, *Own Motion Investigation into Immigration Detainees held in State Correctional Facilities*, see <http://www.comb.gov.au>

PUBLIC CONSULTATION AND COMMUNICATION

The importance of effective public consultation and communication has been a key theme in public sector reform, starting with a focus on increased community participation in the 1976 Royal Commission into Australian Government Administration (the Coombs Report). To be effective, public sector communication needs to go beyond the simple provision of government information, to receive useful feedback on government programs and services, and encourage sensible changes to those programs and policies where warranted.

An increasing priority has been placed on greater involvement of the public in government administration in recent times. This has reflected increased expectations among a better informed and connected public, as well as improvements in technology which are facilitating more effective engagement. Enhancing citizen engagement with government is a key focus of the Government's framework for e-government discussed above.

Increased expectations are not limited to consultation about program management or the delivery of services, but also go to consultation about policy decisions themselves. People are now more attuned to government policy making and more interested in contributing to such processes. In this environment the APS needs to develop systems and processes to understand the different values and perspectives of stakeholders and clients.

The process of consultation on particular policy matters needs to be agreed by Ministers, and the appropriate process is likely to vary according to the agency, its stakeholders and the policy in question. However, for consultative processes to be effective, agencies need to maintain close networks with stakeholders and have expertise in communication.

The emphasis that the APS places on these skills is reflected in the Senior Executive Leadership Capability (SELC) Framework, which identifies the five core criteria for high performance by senior executives in the APS.³⁰ The Framework emphasises both the need to nurture external relationships and facilitate cooperation and partnerships in the context of cultivating productive working relationships, and the need to communicate clearly, listen and understand in the context of communicating with influence.

The ATO launched its Listening to the Community initiative in March 2002. The initiative was designed to draw on the experience of a broad range of business and individual taxpayers, tax practitioners and other entities (e.g. charities) to identify possible administrative solutions to ensure a more client-friendly tax system. More than 60 workshops were held, involving significant community participation. The feedback from the community was that they expect the ATO to develop new delivery approaches, including using electronic channels. A very clear preference was for 'quick, accessible and accurate advice that the ATO stands by'. The ATO has developed a detailed range of initiatives developed from ideas obtained through these workshops. The initiatives are currently undergoing an intensive validation phase.

In addition to Listening to the Community the ATO provides a range of consultative and design products and techniques to develop a collaborative approach with the community. These include client experience rooms and walkthroughs, to illustrate the client experience for a package of changes, product development workshops and retreats, simulations and usability testing.

³⁰ The SELC Framework is discussed in more detail in Chapter 9. For more information see <http://www.apsc.gov.au>

The issues of public consultation and communication were not addressed directly in the agency and employee survey, except in the context of service delivery feedback mechanisms. However, with their Minister's agreement, agencies could benefit from taking a broader approach to consultation, by identifying areas where greater consultation and communication would be appropriate, and developing effective processes to ensure that consultation and communication occurs. There may be, for example, areas where agencies could contribute more to informed public debate or be more proactive in community consultation.

An example of a proactive approach to community consultation was the launch of the Government's green paper on fundamental land transport infrastructure reform, *AusLink: Towards the National Land Transport Plan* in November 2002. The paper set out the direction of the Government's thinking in relation to Australia's land transport infrastructure, and put forward a series of questions that would need to be considered as the Government finalises the plan. The green paper was open for comment until February 2003 and was supported by a series of consultation meetings in metropolitan and regional Australia. Some 550 submissions were received from State and local governments, industry, environment groups, tertiary education and research groups, bicycle groups and interested members of the public. All submissions have been posted on the DOTARS website.

CONCLUSIONS

Service delivery continues to be a major theme in the ongoing APS reform process. A number of agencies are developing programs designed to meet the needs of individual customers and are making considerable investments in developing customer-focused service delivery skills and behaviour in their staff. Improving performance in this area remains an essential activity for the APS and requires continued concerted effort into the future.

The use of service charters is widespread among APS agencies. Employees generally have a good understanding of the content of their agency's service charter and are positive about the impact that the charters have on service delivery. However, individual agency performance, particularly in terms of employee awareness and views of effectiveness of service charters, varies considerably, and small agencies generally have less positive results. This highlights the need for agencies to constantly monitor and review the effectiveness of their service charters to ensure that they accurately reflect changing client needs.

Most agencies appear to have developed effective mechanisms for receiving and responding to feedback from the general public, including by gathering measurable information on client satisfaction, although the extent of information included in annual reports is variable. Employees also generally have a positive attitude to the impact of feedback mechanisms on service delivery. These results suggest that agencies would benefit from extending feedback, and mechanisms for responding to it, to the minority of employees involved in service delivery who do not currently receive it. Future surveys will ask agencies to specifically report on the level of client satisfaction with their services.

Overall, the surveys and other data suggest that agencies recognise the importance of effective service delivery. Almost all are putting in place mechanisms, including effective e-government mechanisms, to ensure that they meet the needs of the public.

The issue of encouraging and utilising public consultation and communication is a growing one for the APS. There are already many examples of innovative approaches to public consultation and communication in

the APS on policy, program management and service delivery issues. Individual agencies, in consultation with their Ministers, need to identify if there are additional areas where they could benefit from more extensive public consultation and communication.

Information provided by the Ombudsman indicates that many larger agencies have established effective mechanisms for reviewing decisions, handling complaints and obtaining customer feedback to enable improvements to services. However, evidence from the Ombudsman and the ANAO suggests that there are also some areas where agencies could examine service delivery to see if it can be improved further, particularly in relation to explaining and recording reasons for decisions, and in reducing delays.