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**STRENGTHENING PUBLIC TRUST BY DELIVERING ON PROMISES: WHAT ROLE FOR THE
CENTRE?**

Meeting of Senior Officials from Centres of Government: Leadership in Managing Risk

Vienna, 28-29 September 2006

This document provides background information for Session 5 on Friday 29 September from 9:45 a.m. to 12:00 a.m.

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QUESTIONS FOR DISCUSSION

Public expectations of government

- Do governments know what people want? How do they ensure that what they promise is what is sought?
- How can government meet (or manage) citizens' ever-increasing expectations given the pressures of limited resources?

Making promises

- Given the trend towards greater decentralization, to what extent should the Centre of Government take a *dirigiste* role in setting policy targets and outcomes, and to what extent should individual ministries and agencies be left to decide for themselves?
- How should outcomes be formulated? Should they be as specific, measurable targets? Or is it more realistic to reach more generally phrased delivery agreements?
- What is the danger that a focus on particular targets will distort the work of government, (e.g. a focus on cancer will divert resources away from equally deserving areas of health care)?

Monitoring policy implementation

- Does the Centre of Government simply check 'formal' implementation, or extend its remit to checking 'substantive implementation' as well? How does this affect its relationship with line ministries?
- Is it possible to design a system in which the role of monitoring policy implementation is shared between the centre, ministries, agencies and local governments? (e.g. where the monitoring framework is jointly agreed, monitoring data is entered into the system by ministries and agencies, and quality control is assured by the centre of government)

Transparency and accountability

- Is the Centre of Government obliged to report on the results of its monitoring of policy implementation? How are these obligations enforced?
- To what extent should political appointees be involved in monitoring government policy implementation? Is it practical to set limits to their involvement?

STRENGTHENING PUBLIC TRUST BY DELIVERING ON PROMISES: WHAT ROLE FOR THE CENTRE?

Introduction

1. Trust is hard to win and quick to lose. Governments in all OECD countries are seeking new ways to re-build, strengthen and maintain public trust as testified by the strong response to last year's OECD Meeting of the Public Governance Committee at Ministerial level "Strengthening Trust in Government: What Role for Government in the 21st Century?" held in Rotterdam (27-28 November 2005). Next year's meeting of Senior Officials from Centres of Government (CoG) in Berne, Switzerland on 4-5 October 2007 will seek to take the debate one step further with a more in-depth examination of the role of the centre.

2. The aim of the last session of this year's CoG meeting is to define the scope and priority issues for debate in Switzerland. This paper provides background for these exploratory discussions and raises some key questions of particular relevance to senior officials working at the centre.

3. Trust is part of daily business at the centre of government given its responsibility for coordination and, in most OECD countries, strategy. Its key functions are to support the Prime Minister and Ministers collectively, who between them will share the responsibility (and show the keenest interest in) ensuring that the government delivers on its promises. At the same time, the centre of government must work through other agencies, rather than taking on executive functions itself, especially when it comes to the delivery of government promises which potentially covers every single government agency. Its task is further complicated by the trends towards greater decentralization and use of agencies that has been a common feature across OECD member countries over the past decade.

Growing public expectations of government

4. Why do public expectations of governments keep increasing? Partly as a result of globalization, users of government services are growing more demanding and discriminating in their expectation of public services, and expect more convenience and greater choice. Easier travel and far easier communications allow citizens to see what governments offer in other countries. There is greater sophistication of demand: the public will expect government to supply services of private-sector standard even in those areas where the private sector does not find it profitable to venture (for example, the provision of healthcare and special insurance for elderly or terminally ill people). Technological advances, for example in medicine, make better service to the public possible (at a price). And the expectation is for governments to deliver more with fewer resources, with a sustained pressure on democratic governments worldwide to provide better services while lightening the tax burden.

5. Government, of course, is more than just a service provider. One of its main functions is to ensure that framework conditions are in place that will allow others to act. Its power to make rules that are binding on others, means that both the output and the process of decision-making are subject to constant public scrutiny – and rightly so. Citizens increasingly expect their voice to be heard in government decision-making processes and governments are increasingly concerned with issues of legitimacy.

6. The consequences are greater expectations by the public of their politicians, and greater expectations by the politicians of the public service. Inevitably, electoral competition plays a part in

heightening these expectations. If governments wish to retain the trust of their electorate, and if parties wish to remain in government, they have to deliver on their policy promises, and they are entitled to look to the civil service to help them deliver.

Defining government commitments

7. In determining whether government is delivering in its promises, it is helpful to borrow one of the golden rules of policy evaluation: when you initially launch a programme, define clearly at the outset what it is you are trying to achieve. If you do not, at the evaluation stage you will find yourself trying to define your objectives retrospectively.

8. If the performance of government is to be checked systematically, the definition of promises needs to be undertaken systematically. This will not necessarily be simple. In some countries, practice is for parties to contest elections on manifestos consisting of quite precise commitments; in others, manifestos are statements of principle with few specific policies. In countries with coalition governments (most OECD members) a major part of the process of coalition-forming is the agreement of a common policy platform; this will vary in its degree of specificity, and will usually contain a few vaguely phrased compromises. Parliamentary systems commonly require the government to submit a programme to parliament, but this is usually pitched at a general level.

9. Consequently, many of the Government's promises need to be translated into more detailed plans of action. This will have to be done anyway, in order to allocate resources to them and to translate them into legislation; but often this is done at the level of individual ministries. If government performance as a whole is to be assessed, a prior necessity is a work programme for the government as a whole, with clear commitments and timelines, and responsibilities allocated to named organisations and individuals to ensure delivery.

10. A 2004 survey of OECD centres of government¹ showed that two-thirds of them undertook some form of planning of the Government's overall work programme, typically on an annual basis, but that its scope varied considerably, from a plan covering all items that Ministries intend to submit to the Council of Ministers, to a plan that covers only certain types of item e.g. those requiring legislation. Nor was it clear to what extent this was a reactive process – the centre of government simply compiling the proposals submitted by ministries – as opposed to a dynamic process, in which the Centre played an active role in prioritizing proposed actions, and reconciling them to each other, to the Government's strategic aims and to available resources (both budgetary and parliamentary time).

Monitoring the implementation of promises

11. Past CoG meetings have shown that the implementation of government decisions is regarded in almost all OECD countries as primarily the responsibility of individual ministries. However, the government collectively, and especially the Prime Minister personally, have a responsibility (constitutional, legal, or by convention) for both individual and collective performance. The increasing weight of cross-cutting policy issues, falling under the responsibility of more than one ministry, also calls for some form of central coordination, or oversight, of implementation.

12. As a result, two thirds of the countries responding to the 2004 survey of OECD centres of government reported having a capacity for monitoring policy implementation in their centre of government. However, the survey revealed only four units exclusively dedicated to monitoring: in most countries this function is covered by units which also conduct policy analysis, strategic planning, etc. The

¹ OECD (2004) "A comparative analysis of government offices in OECD countries".

survey did not seek specific detail on this, but clearly the scope of monitoring varies greatly, from detailed tracking of all government decisions to a more limited check of whether key items in the legislative programme had been passed.

13. There is a most significant distinction to be made between ‘formal’ and ‘substantive’ implementation. Formal implementation can be defined as checking whether the bureaucratic follow-up to a decision been undertaken: has the regulation been promulgated, the law passed, the contract signed, the budget spent? ‘Substantive’ implementation probes further, and asks whether the policy is being carried out effectively. The budget has been released but are the unemployed actually receiving the increased social benefit? The contract has been signed, but has the bridge been completed? The freedom of information law is passed, but are ministries responding to enquiries by the prescribed deadline?

14. The difference between the two approaches is considerable. Responses to the 2004 survey suggested that a number of governments confined their monitoring to formal implementation. From the point of view of checking that the government’s promises have been effectively implemented, however a substantive implementation check is surely more useful to ministers. But it requires greater effort by, and resources for, the centre of government if it is to explore these issues in more depth. It also substantially alters the relationship between the centre of government and ministries: it implies that the centre will check and question the assertions of ministries, and gives an inquisitorial edge to the centre of government’s role that does not sit easily alongside the collaborative, coordinative role that heads of centres of government have traditionally recognised as the most effective way for them to operate. A 2005 OECD survey of knowledge management practices showed that most member countries still regarded performance evaluation as principally the responsibility of line ministries.

15. New e-government tools can play a major role in monitoring policy implementation and performance. Intranet-based annual government work plans allow for regular updating and ‘real time’ information on progress towards meeting government legislative timetables and policy goals. Expert systems, which incorporate decision-making rules and combine statistical data from several sources, can help decision-makers deal with the information overload by delivering simple indicators of progress towards policy goals (e.g. Mexico’s ‘digital dashboard’ system designed by the National Statistical Office for the President’s Office).

16. The use of electronic work-flow systems, incorporating the government’s main policy milestones and legislative timetable, provide Centres of Government with an instant overview of line ministries’ progress towards established goals. They may also serve to foster greater collegiality and policy coherence among ministries and agencies by setting their specific objectives in a wider context. At the same time, such tools remove the information asymmetries between the centre and the periphery, which may affect their respective decision roles and responsibilities. New tools can help to reduce the financial and human costs of collecting, compiling, analysing, and sharing performance data. However, one unintended consequence of such technical developments may be simply to inflate the amount of performance data available – thereby outstripping the already over-stretched capacity of Centres of Government to act upon it.

17. Finally, as the trend in decentralisation and delegation of responsibilities to lower levels of government shows, multi-level governance is increasingly a reality for all OECD member countries – whether federal or unitary. While a large variety of institutional arrangements and financial mechanisms have been developed, all seek to reap the benefits of greater subsidiarity (e.g. more efficient public spending, greater accountability to citizens) while ensuring cohesion and equity at the national level. Centres of Government and national policy makers face the challenge of fostering regional diversity while ensuring that basic service standards are met across the country. A range of tools have been developed to

help them monitor service delivery and performance (e.g. performance measurement, citizen charters, scorecards).

Box 1 Monitoring vs. evaluation

Beyond the distinction between formal and substantial monitoring, it is also necessary to ask to what extent checking that promises have been implemented should extend into evaluation: what has the implementation of the government's promise actually achieved?

It depends what promises the government made in the first place. If it pledged itself simply to privatise or nationalize an industry, but without specifying what particular benefits were expected to follow, it should be sufficient to check that the act of privatization or nationalization has been carried out efficiently. In contrast, if the government pledged to substantially reduce traffic congestion by introducing road pricing, checking on whether the promise has been kept must logically include verifying whether the introduction of road pricing has led to the expected result.

Moving beyond monitoring to evaluation has substantial implications. It requires resources (even though these are less if evaluation procedures, and especially data collection arrangements, are built into the original policy design). The degree of sophistication of the evaluation will often be a bone of contention between professionals in the field, who tend to prefer thorough and detailed research, and government, which prefers quick and light-touch evaluation.

Above all, politicians tend to be ambivalent about evaluation. Usually they are in favour of it in principle, but when it comes to the results, their reaction depends on whether it shows that their policies have worked or failed. It is perhaps not surprising that the 2004 survey of OECD centres of government showed that only one OECD country (Korea) had the capacity for policy evaluation at the centre of government, and that many respondents referred to policy evaluation as a function carried out mainly by audit institutions.

Transparency and accountability

18. Another politically sensitive dimension of this work is its transparency: since governments make their promises to the public, should they not also make public the results of the monitoring? Avoiding this is more difficult than it once was. First, rules of transparency, and particularly freedom of information legislation, make it easier for the public, the opposition and the media to obtain such appraisals. Secondly, the 'policy communities' that surround particular policy areas are more active and vocal than in the past, and an appraisal can easily leak out. Third, governments are increasingly dependent on the involvement and cooperation of stakeholders in society for the successful implementation of their policies, and keeping them in the dark can be, in the long-term, counter-productive. Fourth, the media are bound to press the government for information and comment on the implementation of its promises. Since in almost every OECD country the central responsibility for government communications is located in the centre of government, it will end up answering those queries, and silence is not an option.

19. The ultimate answer is that it is for ministers to decide what gets published, and to take the public plaudits or criticism that follows. But that is likely to be preceded by disagreements between politicians (who will want to publish good news early and bury bad news) and civil servants, who will be concerned that publishing unreliable data or concealing embarrassing facts will cause long term harm to the credibility and impartiality of the administrative machine.

The respective roles of political and civil service staff

20. This last point leads to the respective responsibility of civil servants and political appointees for delivering on government promises. The mechanical side of the work, which is the most time-consuming (i.e. gathering and marshalling the information) will fall to civil servants. They hold a large part of the responsibility for implementation in ministries and agencies, under the direction of their ministers; and the operation of planning and monitoring systems is essentially an administrative task. Equally inevitably, ministers will have overall direction of the process. The potential difficulty lies in the involvement of political appointees, or civil servants who have strong political affiliations, in the assessment stage. The danger is that their involvement can lead to creating frameworks unfairly geared to produce favorable answers – for example, by the selective choice of success indicators; or by the partial and selective use of data to justify success. While all governments are entitled to present their work in as favorable a light as possible, there is a danger of civil servants being implicated in operating systems that conflict with their public service ethics.

Preparing to deliver on future promises: ensuring the necessary skills, tools and staff

21. This paper has addressed primarily the centre of government's direct involvement in helping elected governments deliver on their promises. However, it also plays an indirect role. An increasing number of countries (roughly half of OECD countries at present) are shifting the responsibility for public administration reform and development to the centre of government, and this trend is likely to continue as this issue rises up the political agenda. Furthermore, most centres of government have at least some degree of oversight of the system for making and implementing policy. Consequently the centre of government has some responsibility for ensuring that the overall administrative system has the necessary mechanisms and skills to allow governments to keep their promises, even if that role is not exclusive role, and is perhaps not even the leading role.

22. Turning to the centre of government's role in ensuring that the necessary skills exist in ministries, a common perception is that effective change depends less on structural reorganization than on people-based change: leadership, reskilling and cultural change. Often the degree of change demanded will be greatest at the top levels of the civil service. The 'service' elements of ministries – agencies, inspectorates, and the like – will already have some degree of sensitivity to the demands of public service. The central administrative core of ministries (and indeed the centre of government itself) traditionally has dealt with policy and legal considerations: implementation has not, on the whole, been a major concern of the civil servants who work most immediately with Ministers, and whose strengths have been principally in legal and policy skills.

23. There will be a need for a new perspective: not just a change in priorities (to give greater emphasis to practical implementation) but in many instances a changed perception of the world: to see it from the viewpoint of the recipient of public services. This will require profound cultural change. Training, however good and plentiful, will not be enough to achieve this. It is also necessary to provide leadership at the centre and at crucial points in the delivery system.