



Improving
Public
Services

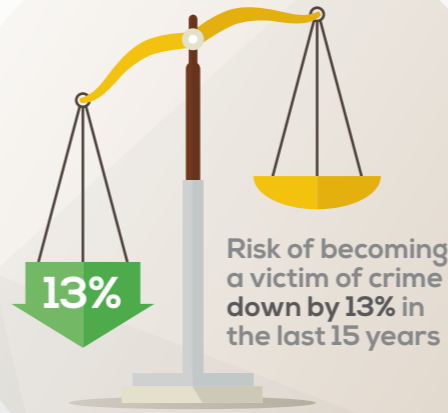
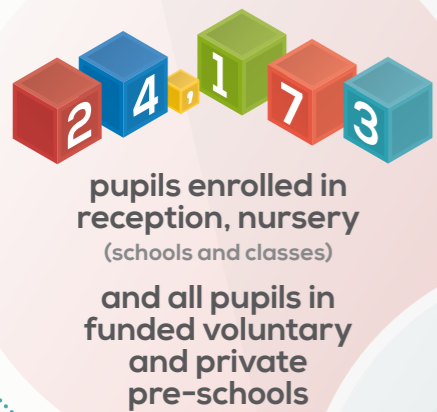
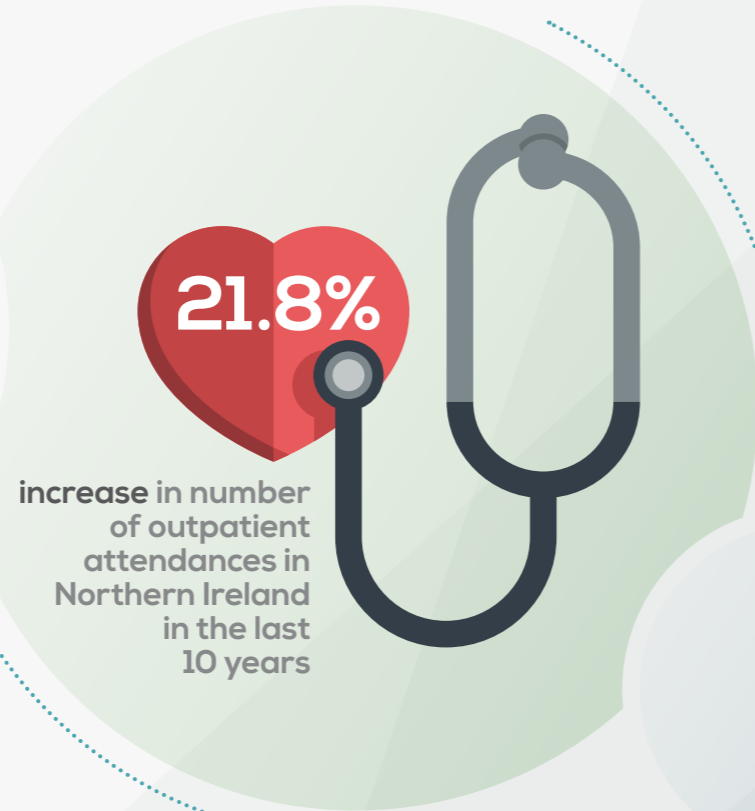
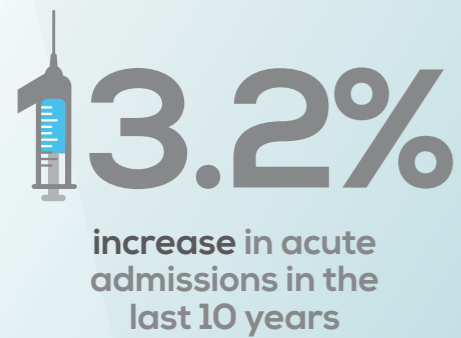


Public Sector Reform and Restructuring is a key element of the Executive's work programme and it is referenced in both the December 2014 Stormont House Agreement and the November 2015 Fresh Start Stormont Agreement.

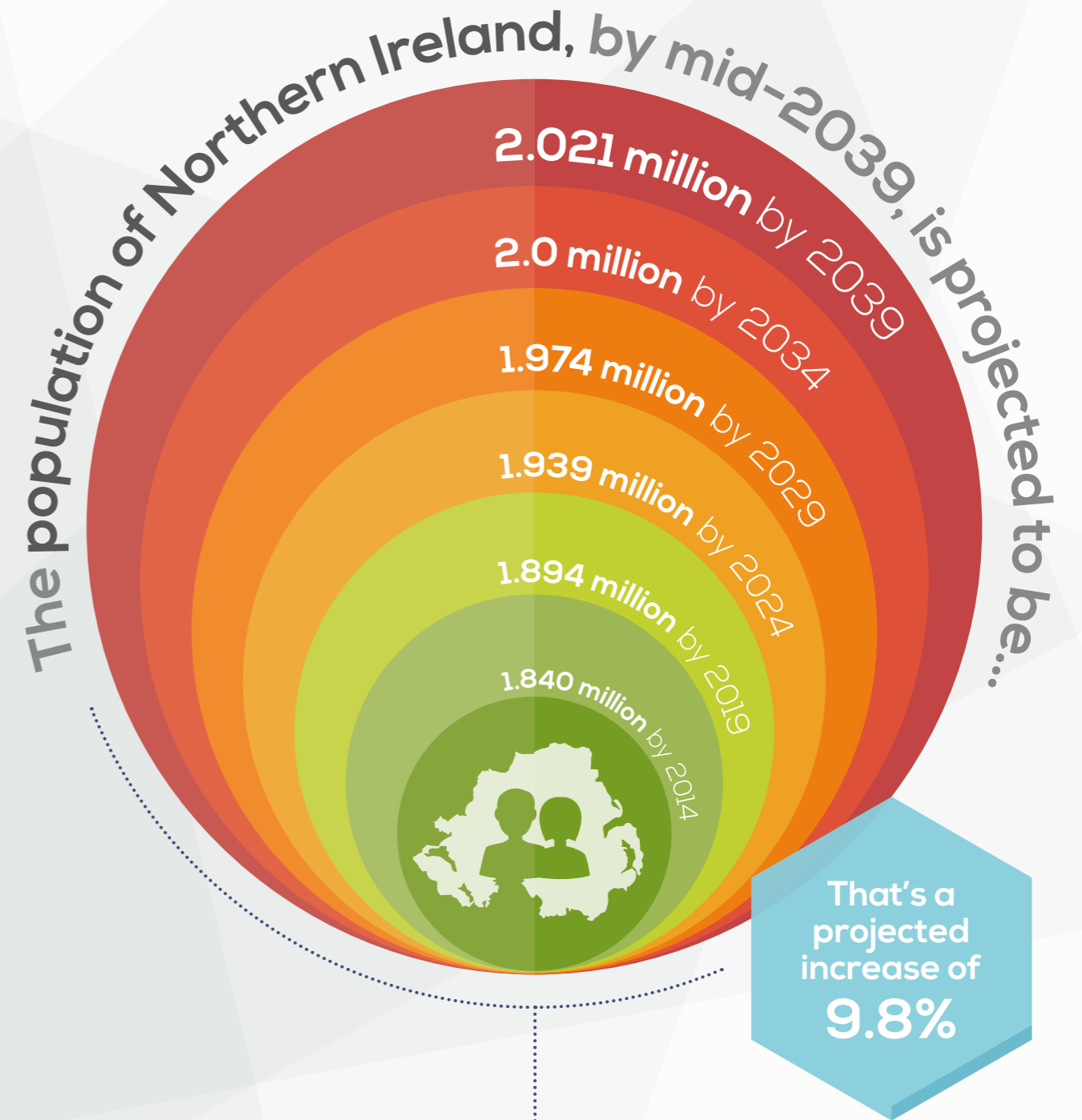
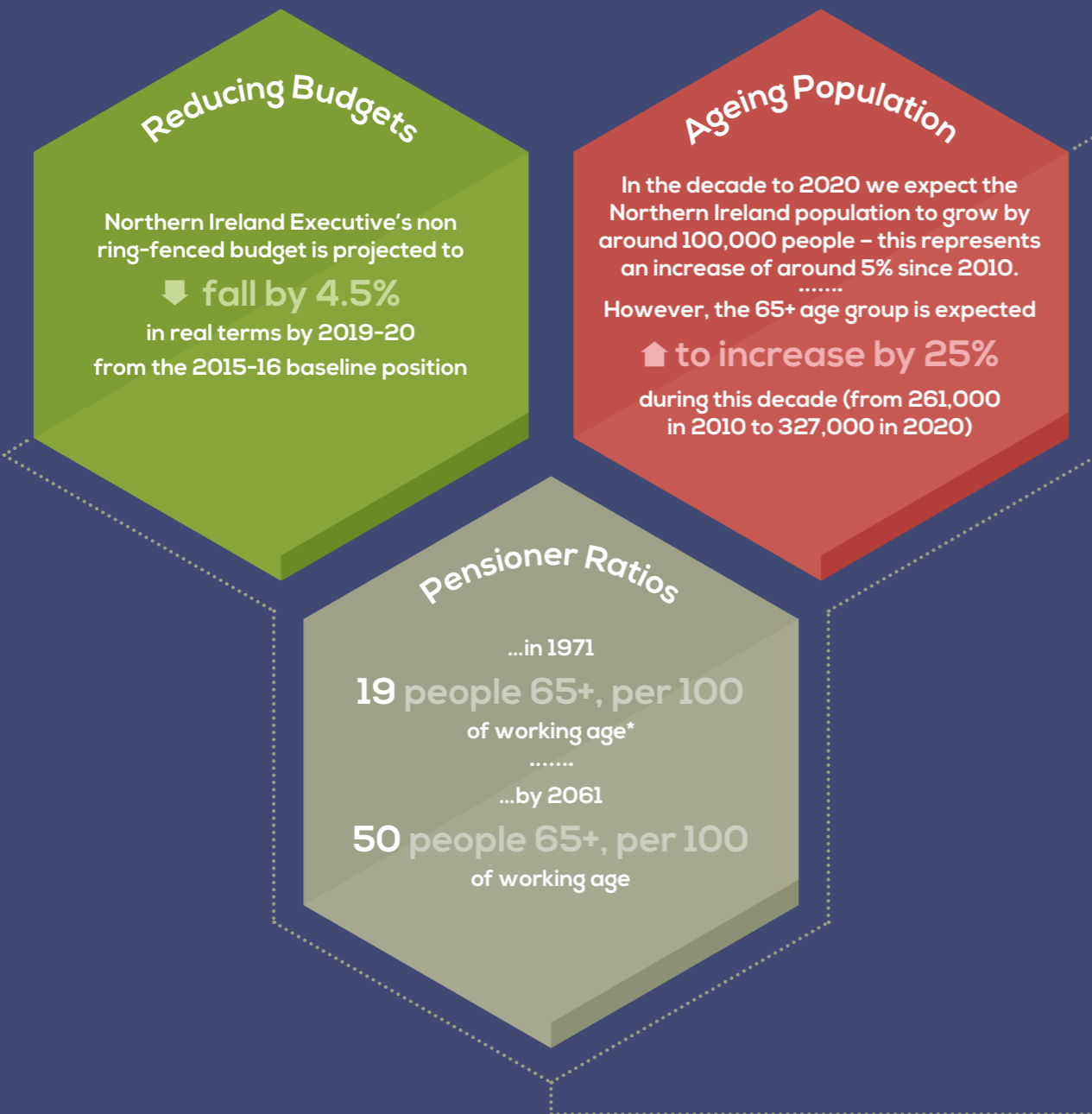
This recognises the part reform and modernisation play in the drive for quality public services to meet the needs of a growing and ageing population whilst living with real term resource reductions.

Parliament Buildings, Stormont. Courtesy of Tourism NI.

Public services are important to everyone and we all rely on them at some time. The scale of current service provision is quite amazing...



Reducing budgets, increasing demands and changing expectations **all present challenges** both to those using these services and those delivering them.



Leading the response

Many service reforms have already been completed, not least at individual department level. Change has been a constant theme for many years.



Given the challenges facing the public sector in Northern Ireland, the Northern Ireland Executive has adopted Public Sector Reform and Restructuring as a key element of its work programme, flowing from

the Stormont House Agreement (December 2014) and the Fresh Start Agreement (November 2015), and captured in the Programme for Government (2016-2021).

Key elements of the Public Sector Reform and Restructuring programme have included ways to reduce costs at a transactional level and ways to transform public service delivery **through encouraging more innovative approaches.**



Public Sector Reform Division

Within the Northern Ireland Civil Service (NICS), the Department of Finance (DoF) has policy responsibility for many of the current cross-cutting areas of reform and restructuring.

In September 2013, Public Sector Reform Division (PSRD) was launched to support, lead and enable reform across the wider public sector.

PSRD's primary role is to work collaboratively with other organisations to promote innovation and reform as well as business improvement and implementation of recognised best practice models.

PSRD Key Objectives...

- Exploring opportunities, engaging with staff and disseminating best practice reform lessons
- Working co-operatively with departments to support and enable the improvement of services for our citizens
- Leading, developing and implementing innovative solutions that generate more efficient and effective outcomes in and across Northern Ireland Executive departments, arms length bodies and local authorities
- Managing, monitoring and reporting on the implementation of reform

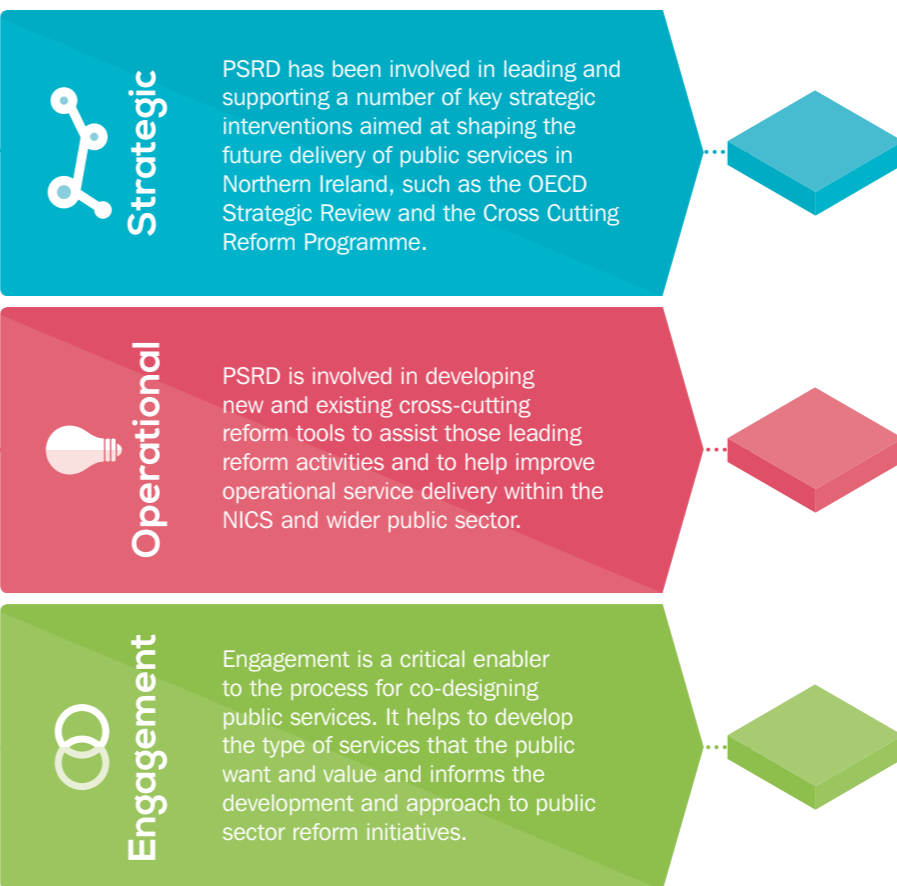


The team brings together expertise in innovation, economic review and appraisal, programme/ project management and business consultancy, utilising experience from both within and outside the wider public sector

PSRD services include...



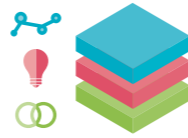
A three strand approach has been adopted to the development of Public Sector Reform – Strategic, Operational and Engagement



OECD Review	
Transformation Fund	
Cross Cutting Reform	
Change Fund	
Innovation Labs	
Business Consultancy Service	
Economic Advisory Unit	
Citizen & Sectoral Engagement	
Ministerial Advisory Council	
Staff Engagement	

Over the next few pages, main areas of activity under these three banners (some of which resonate in one, two or three areas) are colour-coded where appropriate.

Organisation for Economic Cooperation and Development – OECD Review



The Organisation for Economic Cooperation and Development (OECD) recently conducted a strategic review of public sector reform in Northern Ireland.

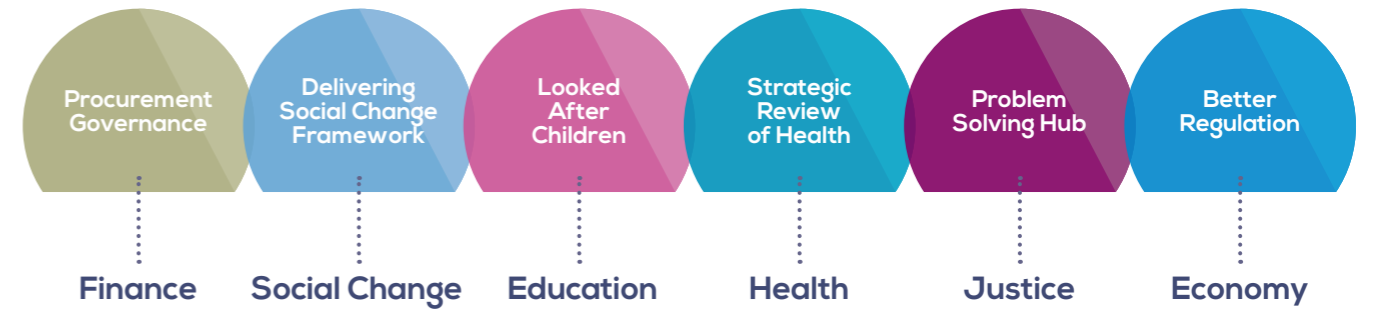
PSRD Economic Advisory Unit played a key role in supporting the work of the OECD here in Northern Ireland.

The OECD Report makes recommendations across a range of strategic, operational and engagement themes.

This was the first ever sub-national public governance review to be conducted by OECD.

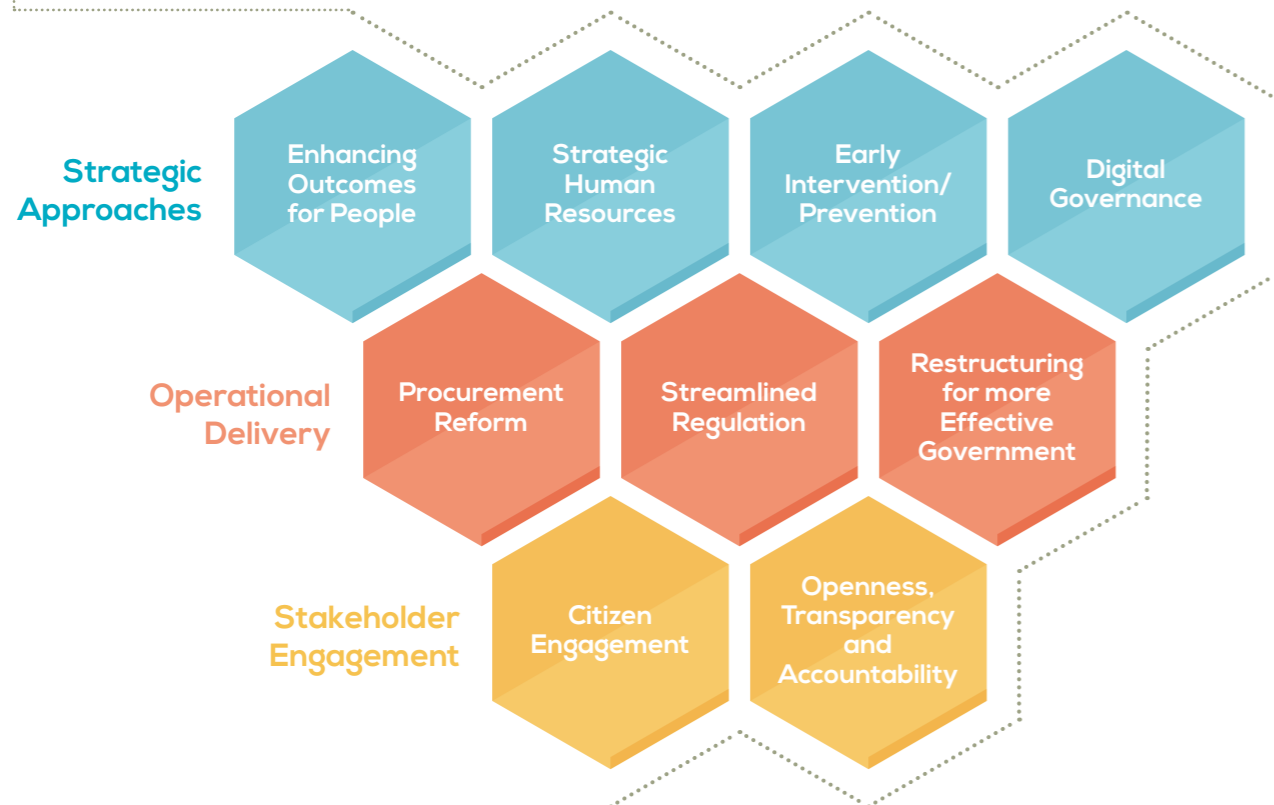
The Review provided an invaluable opportunity to understand how public services in Northern Ireland compare with best practice across the world, showcasing where we are ahead of comparable countries and identifying where we can improve.

The OECD also made targeted recommendations on 6 case studies which were selected on their potential to generate the greatest impact. These were...

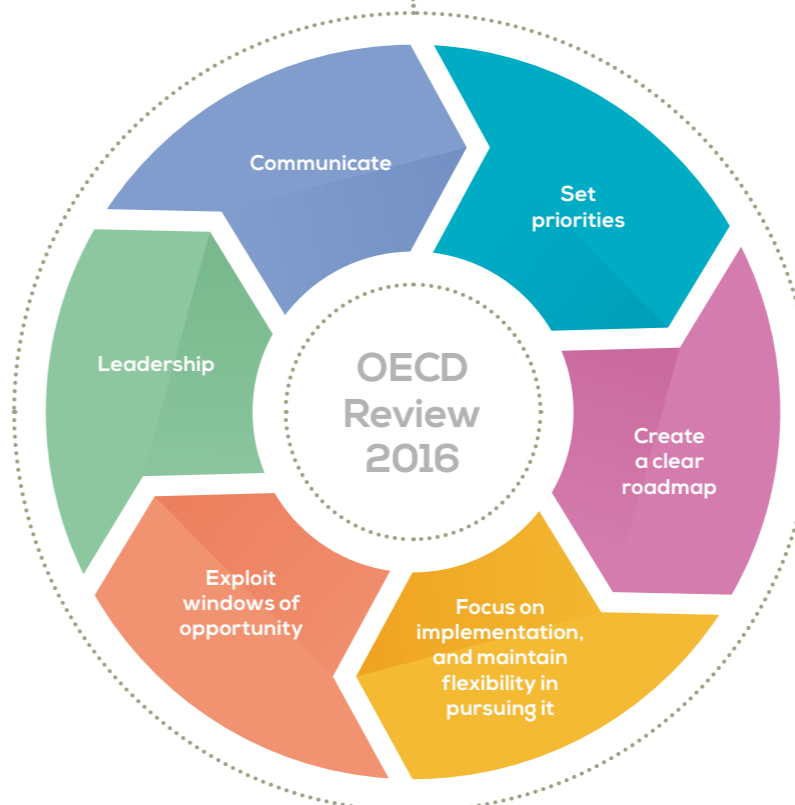


The OECD Review (2016) and the related agreed actions feed into the development of the Programme for Government.

OECD Review Coverage



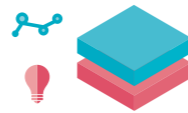
OECD Report also identifies six broad lessons for implementing reform



The PSRD Role

- liaison with OECD to develop the Terms of Reference for the Review
- coordination and implementation of the review at various stages e.g. questionnaire, missions, case studies
- manage interface between the Northern Ireland Executive and OECD officials
- develop government response to OECD Review in liaison with Executive and Departmental officials

Transformation Fund to Support Voluntary Exit Schemes (VES)



A number of Voluntary Exit Schemes (VES) have been introduced across the public sector.

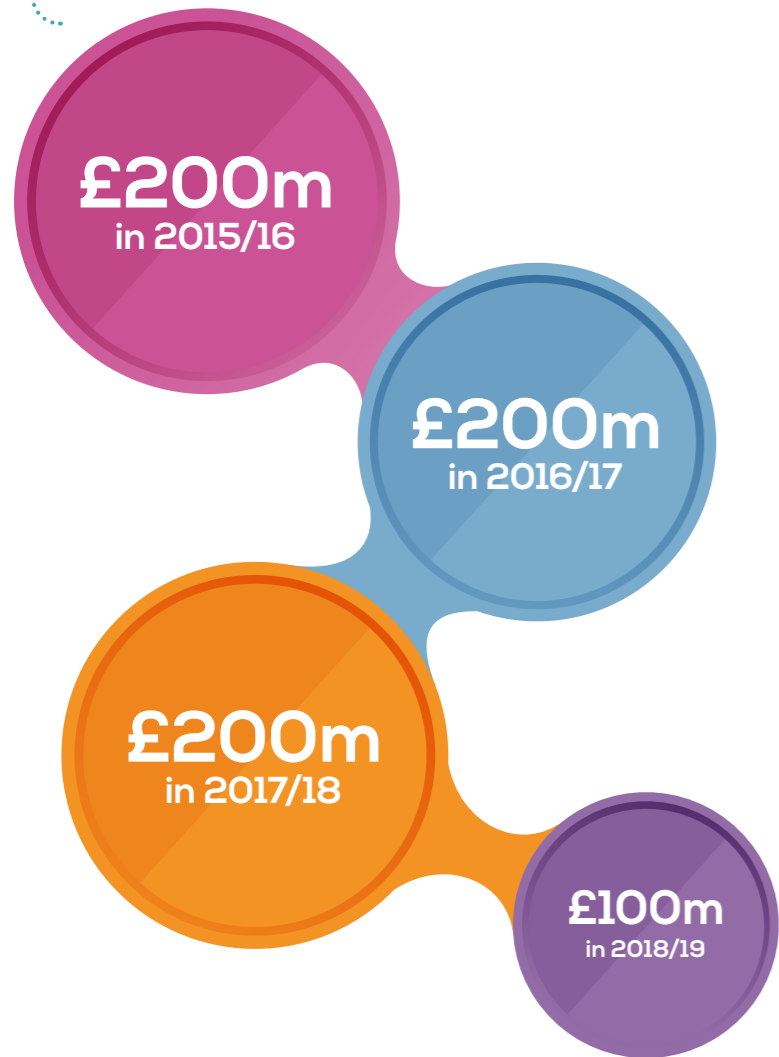
In support of this, a Public Sector Transformation Fund (PSTF) financed from borrowing under the Reinvestment and Reform Initiative (RRI) makes up to £700m available over four years.

To oversee the allocation and monitoring of funding from PSTF, the Public Sector Restructuring Steering Group (PSRSG) was established.

Chaired by Dr Malcolm McKibbin, Head of the Civil Service, it has membership from each Department.

PSRD has played a key role in supporting the work programme of this group.

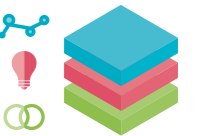
2015/16 public sector voluntary exit schemes resulted in approx. 4,000 leavers equivalent to £152m full year savings.



The PSRD Role

- supporting the design of the funding allocation methodology
- monitoring and forecasting allocations of transformation funding
- managing and overseeing the bidding process
- providing recommendations of proposed allocations to PSRSG members and Minister

Cross Cutting Reform Programme



In January 2015, the Executive agreed to a review that would identify and assess NICS cross-cutting reform opportunities to improve service delivery and help individual departments action their pay-bill reductions.

The Department of Finance was identified as the lead department to develop this cross-government response.

To take this review forward, a NICS Cross Cutting Reform Working Group was established to oversee the programme.

Extensive consultations with senior civil servants were used to identify cross-cutting opportunities.

Executive agreement was reached in November 2015 to take these opportunities forward for full feasibility with the NICS Board providing overarching governance.

Cross Cutting Reform Programme enables a higher degree of cross-departmental working and the creation of corporate solutions.

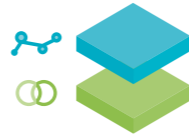
This Cross Cutting Reform Programme comprises over 30 projects across six themes

- Greater consolidation of services across the NICS
- Changing how the NICS interacts with the citizen
- Better utilisation of resources across the NICS
- More effective use of technology
- Proportionate governance
- Management and generation of revenue streams

The PSRD Role

- designed programme and established NICS Working Group
- engaged external expertise to ensure best practice approach
- designed and facilitated workshops with senior civil servants on thematic basis
- developed a framework for analysing the potential of cross-cutting reform opportunities for the NICS
- ongoing programme support to NICS Board including direct consultancy support to cross-cutting reform projects

Change Fund 2015/16



In the current budgetary climate, the Change Fund drives forward reform initiatives; providing upfront investment to stimulate innovation, improve outcomes for citizens and generate savings.

The Executive set aside £30m for a "Change Fund" as part of the 2015-16 Budget.

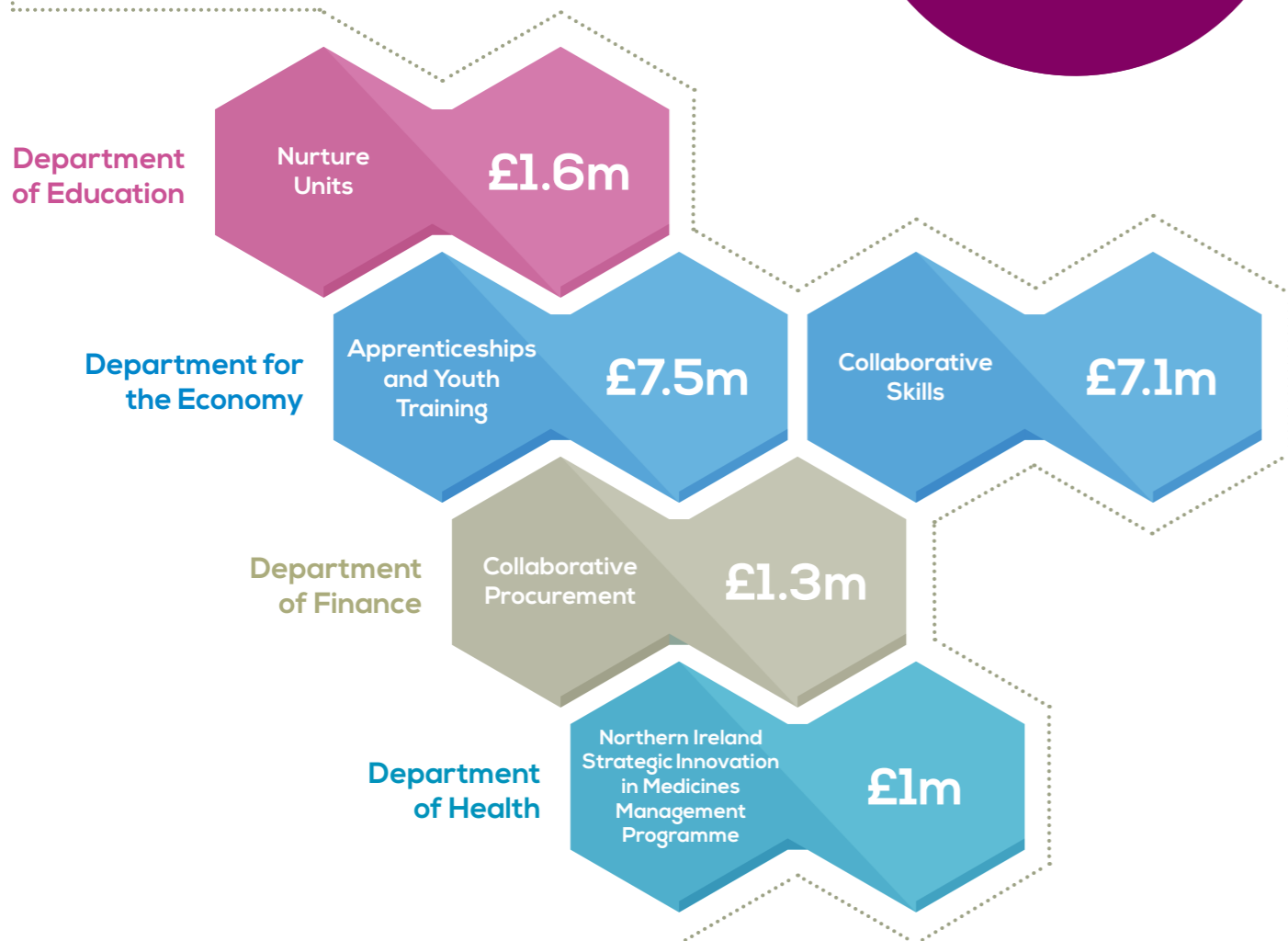
There was a significant response to the Change Fund which was oversubscribed by nearly five times the value of the fund.

This shows the willingness of departments to collaborate and find new ways of working.

An evaluation of funded projects and overall impact of the 2015/16 Change Fund will be completed.

5 times oversubscribed!

Examples of projects supported by the Change Fund are set out below...

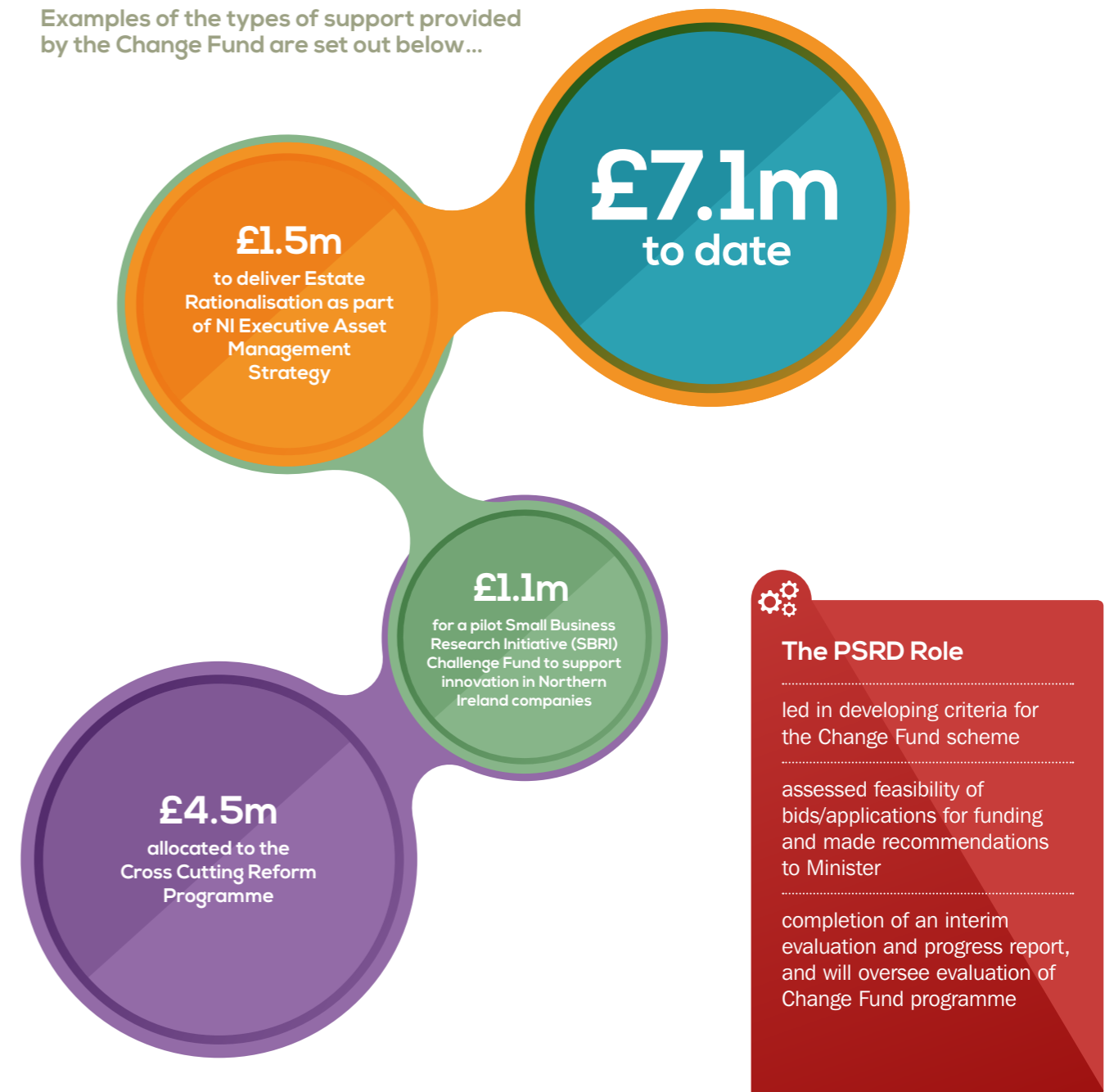


Change Fund 2016/17

The Change Fund will continue to finance upfront investment in cross-cutting reform initiatives and preventative measures that are expected to generate savings in the longer term.

The introduction of new innovative ways of working will be central to assisting transformation and change in the public sector.

Examples of the types of support provided by the Change Fund are set out below...



The PSRD Role

led in developing criteria for the Change Fund scheme

assessed feasibility of bids/applications for funding and made recommendations to Minister

completion of an interim evaluation and progress report, and will oversee evaluation of Change Fund programme

“The Northern Ireland Public Sector Innovation Laboratory aims to improve public services by creating new and ground-breaking innovations through transformation and invention. Labs make a difference by creating a safe space for key players to formulate and test ideas, make mistakes and learn from them, to develop refined, added-value solutions to complex challenges”...



Launched in April 2014, the Northern Ireland’s Public Sector Innovation Laboratory is one of the first regional labs to be established by a devolved administration.

Within PSRD, the Innovation Lab Team adopts a range of innovative approaches including service

modelling, design thinking and whole systems analysis.

To date, a number of Labs have been completed covering a range of areas including regulatory impact and procurement. The Team has also made notable steps in taking forward several Behavioural Insights projects to improve public services.

Based on the success of completed labs, there is a growing interest across the public sector in commissioning further Labs, as well as increased interest in Lab participation.

Further Labs are planned during 2016/17 across a range of areas and departments.



Completed Projects

- Data Analytics
- Non-Domestic Rates
- Expansion of Shared Services
- Dementia
- Voluntary and Community Regional Infrastructure funding
- Travel Services

Planning

Potential Projects include

- Social Work Strategy
- Access to Services for Older People in Rural Areas
- Uptake of CAL Courses
- Behavioural Insight Project with DRD

Live Projects

- Waste Management
- Debt Management
- Medicines Optimisation
- Dynamic Systems Modelling

What are behavioural insights?

Behavioural Insights draw on a mix of psychology and economics to help us understand how people behave and make decisions in day-to-day life.

Understanding people's behaviour allows the Innovation Lab to...

- Help people get the maximum benefit from their public services
- Improve the design and implementation of public policy
- Increase the uptake of public services

Live Projects

Court Fines
.....
Rent Arrears
.....
Benefit Uptake
.....
Carrier Bag Levy



How we use behavioural insights?

The Innovation Lab uses behavioural insights in their work with government departments to...

- Understand how people behave in different situations
- Appreciate how people react to information and communications
- Simplify processes and language, and remove unnecessary steps
- Encourage and enable people to make choices for themselves

The use of behavioural insights in letters, telephone calls and text messages across the NICS and wider public sector have shown that small changes to how information is communicated can have a positive impact on how people respond to them.



The Innovation Labs team worked with the Social Security Agency on benefit uptakes to improve the level of response to the annual campaign to encourage elderly citizens to claim benefits. The intervention designed using behavioural insights

doubled the responses
compared to the previous campaign

Adapting Existing Services

PSRD has brought together some existing services to support and facilitate the wider Public Sector Reform agenda...

Business Consultancy Service (BCS)



BCS is a team of highly skilled, certified, Business Consultants from the public and private sectors.

BCS has access to a range of expertise across the Public Sector and partners, where appropriate, with external providers to bring necessary subject matter expertise in the delivery of its portfolio of services.

Principal source of internal consultancy.

Work in partnership with clients and a proven track record for delivering results and VFM.

Internal perspective from experienced consultants who understand the public sector

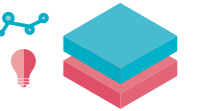
Active skills transfer to enhance internal capabilities.

No time consuming costly procurement process required.

BCS are specialists in

	Change Management		Continuous Improvement
	Business Planning		Organisational Design
	Business Case and Economic Appraisal		Process Improvement
	Business Continuity Management		Policy/Programme Evaluations
	Board Effectiveness		Facilitation

Economic Advisory Unit (EAU)



The EAU is responsible for **benchmarking of international perspectives and dissemination of best practice on reform initiatives.**

The Unit is developing capacity to support the creation of alternative funding models such as Community Mutuels and Social Impact Bonds with social enterprises.

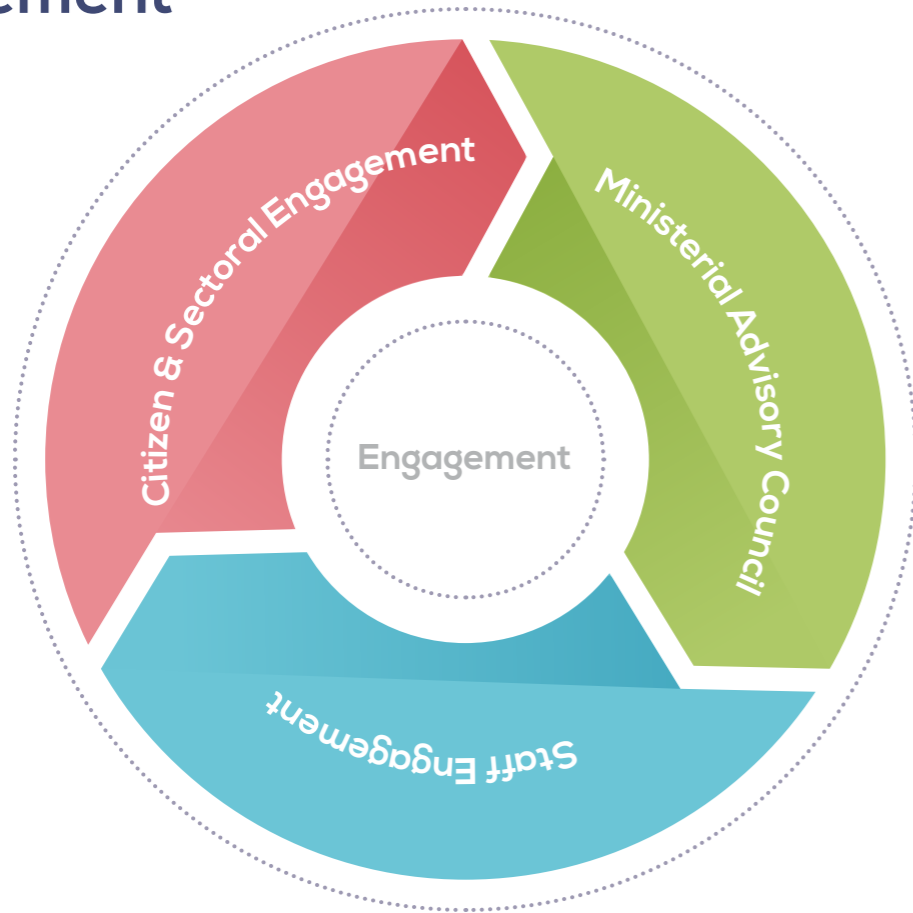
BCS continues to grow its portfolio of reform projects. **This includes leading the Cross Cutting Reform Programme.**

Significant reform projects delivered by BCS include



BCS support each step of the consultancy journey **SHAPING, PLANNING** and **IMPLEMENTING CHANGE**

Engagement



We recognise it is important to promote and communicate progress on public sector reform through supporting and facilitating engagement activities. Some key engagements which have helped shape the current reform programme include

Citizen & Sectoral Engagement

PSRD supports the Minister and senior managers in direct engagements with citizens and sectoral representatives via roundtable discussions, presentations and individual meetings.

These engagements are used to outline plans for reform and obtain feedback and views to inform the future approach.

Ministerial Advisory Council

Established in 2014, the Ministerial Advisory Council (MAC) brings together an international expert advisory panel of practitioners, business people and academics to provide independent advice on public sector reform, improvement and innovation in Northern Ireland.

Chaired by the Finance Minister, the Council has met on a number of occasions, considering issues relating to communication, public engagement, OECD and the vision for public sector reform.

Staff Engagement

The staff innovation scheme, known as 'Ideas Engine', was launched on a trial basis within DoF in April 2014. The overall purpose of the Ideas Engine scheme is to build staff engagement, encourage staff innovation, promote reform and surface ideas to improve services.

To date, the scheme has generated over 300 ideas, with six meriting a financial award for potential improvements across a range of areas including procurement and media management.

Summary of ongoing Engagement activity

Northern Ireland Executive Sub Committee for Improving Public Services

Northern Ireland Executive sub Committee has been established to facilitate engagement at a Ministerial Level on the OECD review and related cross-cutting public sector reform activity.

NICS Awards

The NICS Awards Scheme was introduced for all staff to recognise high achievers and those staff who go the extra mile. Building on the success of inaugural awards held in 2015, a second awards exercise was launched in 2016.

The NICS Awards 2016 were an important engagement initiative with over 260 nominations received under the nine award categories.

Carnegie Roundtable on Wellbeing in Northern Ireland

This group was established in 2014 to create a road map for measuring wellbeing and for achieving wellbeing outcomes for citizens and communities.

Their recent report 'Towards a Wellbeing Framework: Findings from the Roundtable on measuring Wellbeing in Northern Ireland' identified 7 steps for developing a 'wellbeing framework'.

PSRD is at the forefront in delivering against many of the challenges laid down in the report.

Chief Executives' Forum

PSRD commissioned the Chief Executives' Forum (CEF) and Queens University Management School and the Centre for Not-for-profit and Public Sector Research (CNPPSR) to undertake work to create the 'Shaping Reform' report.

This work was initiated by the Finance Minister and involved senior managers considering four aspects of the reform programme

- Leadership
- eGovernment / Digitalisation
- Culture Change
- Reward & Recognition

PSRD have used the 'Shaping Reform' report to develop plans for the next phase of reform along with outputs from the Cross Cutting Reform Programme and OECD Review.

SCS Masterclass

PSRD worked with the Centre for Applied Learning to develop a series of SCS Masterclasses on the topic of 'Public Sector Reform and Innovation'.

The purpose of this series was to showcase examples of successful reforms within the Northern Ireland Public Sector to senior leaders across the NICS and to open a network of contacts who can share lessons learned across the wider public sector.



The PSRD Role

secretariat of MAC, Executive sub-Committee and Reform Champions Network

drafting submissions & speeches for Ministerial events

coordination and facilitation of stakeholder events e.g. NICS Awards, innovation events etc.

drafting responses to correspondence on reform related themes

Looking Forward

Significant progress has been achieved on delivering public sector reform over the last two years.

The public sector workforce has reduced. More of its services are available online. Its capacity and capability to foster innovation and work collaboratively has improved.

However, given the continuing pressures, the NI Executive will continue to embrace an ambitious reform programme underpinned by the next outcomes-based Programme for Government.

Going forward, the focus for the Public Sector Reform Division will be to drive the changes that are going to be needed to further reform and modernise our public services. This work will be progressed, broadly, on two levels

- 1 Leading cross cutting reforms
- 2 Enabling and facilitating specific departmental reforms

Wider Landscape

Over the next year, the PSRD work programme will focus on the following areas

Departmental Restructuring

The Stormont House Agreement of December 2014 included a commitment to reduce the number of Departments from 12 to nine.

PSRD will provide consultancy support to the new departments in the form of organisational design and development.

New Programme for Government

The Executive has made a commitment to develop the new Programme for Government (PfG) using a clear outcomes-based approach.

PSRD will play a crucial role in helping to design the methodology for monitoring and measuring the resultant outcomes.

OECD Review

PSRD is coordinating the actions for implementation of the recommendations flowing from the OECD (2016) Report.

Cross Cutting Reform Programme

PSRD will continue to monitor and support the implementation of the Cross Cutting Reform Programme.

This work will involve taking forward over 30 projects into the feasibility assessment phase and towards implementation.

Public Sector Efficiency

PSRD will introduce appropriate methodologies for reviewing services to deliver more effective and efficient processes and reduce costs.

Outworking of wider Public Sector Reform and Restructuring Programme

PSRD will continue to support the implementation of voluntary exit schemes across the public sector through ongoing monitoring and administration of the Transformation Fund.

PSRD Future Engagement

PSRD will play a crucial role in communicating progress on reform and managing the public perception of what reform means for both citizens and service providers.

This work involves the development and implementation of public communication and engagement plans which encompass a range of approaches including

- 1 Public surveys
- 2 Attendance at public events
- 3 Better use of digital information and communication technologies

Contact

Public Sector Reform Division (PSRD)



Public Sector Reform Division

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Documents can be requested in
alternative formats. For more information
on the alternative formats available and
the time scales involved, contact us:

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