

## Assessment and recommendations

### Introduction

In November 2014, Northern Ireland’s Department of Finance and Personnel (DFP) commissioned the Organisation for Economic Co-operation and Development (OECD) to undertake a Public Governance Review (PGR or “the Review”) of Northern Ireland (NI). Its purpose is to provide an assessment of, and recommendations on, public-sector reform in Northern Ireland that will align with the NI government’s own medium-term priorities for public-administration reform. This PGR focuses on analysing factors affecting reform to assist NI in pursuing improvements to public-service delivery and enhancing value for money. As requested by NI, in assessing Northern Ireland’s policy direction and capacity to implement reform, it also identifies areas in need of further reform that could be pursued as a complement to those already launched, and advises on possible courses of action to assist the Government of Northern Ireland in meeting its reform objectives.

This Review focuses on assessing Northern Ireland’s reform efforts in three key areas identified as priorities by the NI Executive: improving strategic approaches to decision making, improving engagement with people, and improving operational service delivery to citizens and businesses. These thus constitute the three overarching themes of this Review. In this regard the Review aims to offer a contribution to the development of Northern Ireland’s next Programme for Government (PfG).

The recommendations below are presented under these three framework themes and the nine sub-themes representing Northern Ireland’s priority reform areas that the government requested the OECD assess. The recommendations are drawn from the main report and from the six case studies attached as annexes to this Review.

### *Northern Ireland faces significant socio-economic challenges*

Northern Ireland is the smallest of the United Kingdom’s four countries with a population representing approximately 3% of the United Kingdom’s total population. Economically, Northern Ireland is also one of the United Kingdom’s less wealthy regions, with a Gross Value Added (GVA) per capita of GBP 17,948, compared to GBP 21,982 in Scotland and GBP 24,091 in England, but however remains slightly higher than Wales’, at GBP 16,893. As was the case in other parts of the United Kingdom, Northern Ireland experienced a significant economic downturn for most of the period between 2007 and 2014 as a result of the global recession and its aftermath. Northern Ireland’s economic recovery remains fragile and economic activity remains below peak levels recorded prior to the recession. While grappling with the after-effects of a global economic recession is challenging for any government, it is even more complex for the Government of Northern Ireland given its history and the fragility of its constitutional and institutional arrangements.

The conditions which have led Northern Ireland’s Government to pursue an ambitious agenda of public-sector reforms are economic, social and political. The development of Northern Ireland’s economy is affected by a relatively small private sector, low rates of labour-market participation, and poor labour productivity at a time when global economic trends do not favour the manufacturing and agricultural foundations of its economy. Socially, Northern Ireland is facing the same demographic changes experienced elsewhere in the United Kingdom, but in a society which is defined by distinct community loyalties. Politically, the specific nature of NI’s coalition arrangements, in which the main parties comprising the Executive hold differing visions of the role of the public sector in the economy and of the constitutional future of Northern Ireland, burdens the Government’s decision-making process. While there has been a political consensus in place since 2011 about the need to reform the public sector, there is less of a consensus about what exactly to do and how to proceed.

A major factor driving Northern Ireland’s public-sector reforms is fiscal pressure exerted by reductions in the Delegated Expenditure Limit (DEL) Budget allocation from Her Majesty’s Treasury. Representing over 90% of NI’s total revenue, constraints in the DEL Budget have had a major impact on Northern Ireland’s budget. In a region where the public sector has historically been a leading economic actor and still accounts for 30% of all economic activity (measured by GVA) and 30% of all employment, any reduction in public spending will affect not just the public sector itself but the region’s entire economy.

The findings of the Review are based on the premise that sound public governance – government’s ability to co-ordinate, steer, monitor, communicate and otherwise work horizontally (i.e. across departments and institutions within the government) and vertically (i.e. coherently with local authorities and with external public and private stakeholders) to advance strategies and plans to improve economic growth, standards of living and quality of life –is of fundamental consequence for the citizens to whom government is accountable. Sound public governance assumes that government is able to plan strategically and mobilise internal and external resources to execute these plans efficiently and effectively. The pursuit of sound public governance can help position Northern Ireland to achieve its aim of improving public services to meet peoples’ needs and thereby enhance its ability to improve outcomes for people.

## Improving strategic approaches

Improving strategic approaches is the first of three overarching themes examined in this Review. The theme focuses on the ability of the NI Government to articulate and execute a vision-based whole-of-government strategy to achieve a small number of multi-year, multi-dimensional objectives over the life of its mandate, one of the cornerstones of sound public governance.

### *Enhancing outcomes for people*

To be effective, a government needs a strategic vision that identifies short, medium and long-term priorities around which to build consensus on the shared outcomes and goals it seeks to pursue in the name of the people it was elected to serve. A strategic vision enables the communication of objectives and related initiatives to stakeholders internal and external to government. Having in place a consensus-based strategic vision can guide whole-of-government planning and service delivery through greater horizontal

collaboration across administrative silos to achieve the strategic policy outcomes underpinning the vision.

Northern Ireland's PfG is the Government's most important strategic planning document: it presents the priorities and initiatives of the Northern Ireland Executive (Cabinet or Council of Ministers) to be implemented over the life of its mandate. Northern Ireland's political, public-sector and civic leaders agree that the next PfG (2016-21) ought to present a more strategic outlook on the future and, in so doing, depart from the current plan's shopping list of priorities and actions. All appear to agree that developing the next PfG offers an opportunity to create a single, outcomes-based, vision statement and accompanying action plan for the Government. In this connection exploratory work has begun in the Office of the First Minister and deputy First Minister (OFMDFM), the unit serving the co-Heads of Government and the Executive, to determine how the NI Executive might move toward a PfG with a greater focus on outcomes. If implemented, this will constitute a significant improvement in approach over the past two Programmes for Government.

Agreement has also been reached to forge the PfG **prior to** the appointment of an Executive that will now be made up of nine departments instead of twelve. This is in fact a commitment in the 2014 *Stormont House Agreement (SHA)*. The consolidation of departments can contribute to better coherence in departmental and agency mandates, thus possibly contributing to reducing administrative barriers to multi-dimensional policy making. Agreeing to the PfG before assigning control over departments to individual members of parties of the governing Coalition might soften the influence of political-party interests in exercising specific departmental mandates and determining budget allocations: membership in the Executive will henceforth be determined only **after** strategic priorities (and budgets) have been set.

*... by pursuing more outcomes-focussed strategic planning*

Building a common vision framing clear strategic outcomes and aimed-for results for Northern Ireland, along with incentivising interdepartmental co-operation to pursue them, is particularly relevant in the context of a coalition government in which coalition membership is essentially forced. For this to occur, Northern Ireland will need to strengthen its planning and co-ordination capacity to design and deliver cross-cutting, multi-dimensional strategies that improve outcomes for people. The set of recommendations immediately below can be developed and implemented in stages over time; as proposed, this strategic priority-setting process could be adopted in its entirety in time for the 2021-26 PfG.

### **Recommendation 1. Prepare and implement a multi-year strategic, outcomes-based Programme for Government (PfG) framed by a vision for Northern Ireland’s people and its economy**

The current PfG contains too many priorities and objectives, with several focusing on narrow areas of intervention. The next PfG should define a small number of evidence-based, whole-of-government objectives and outcomes to guide policy action over the life of the government. To this end, NI should:

- Base the next PfG on a vision statement of the Executive’s overarching medium and long-term (five and ten-year planning horizons) objectives for Northern Ireland and its people.
- Identify in the next PfG three to five strategic, multi-sector/multi-dimensional strategic commitments to be pursued as priorities over the life of the Executive’s mandate to implement the vision:
  - These should be informed by the results of foresight and horizon scanning using a long term (e.g. ten-year) planning horizon.
  - The strategic commitments should be supported by a limited number of integrated whole-of-government outcomes, targets and outcomes-based performance indicators in the form of Key National Indicators (KNI) reflecting the PfG’s strategic commitments.
  - Use these KNIs to drive horizontal co-ordination between Departments.
- Communicate the PfG vision, objectives, plans and indicators in simple terms, internally and externally:
  - Engage in inclusive and meaningful public engagement prior to the approval of the PfG by the Executive.
  - Engage key public, private and civil-society stakeholders on the PfG.
  - Ensure the Northern Ireland Assembly plays a central role in enabling the voices of citizens to be taken into account prior to the approval of the PfG.
  - Adjust the PfG to reflect engagement results prior to its approval.
- Have the feasibility, fiscal sustainability and relative priority of political commitments independently reviewed prior to the debate in the Assembly on the PfG:
  - The independent assessment should inform the prioritisation of the PfG’s strategic objectives and their budget allocations against these commitments.
- Maintain/implement the commitment in the Stormont House Agreement to appoint members of the Executive to their ministerial portfolios only once the Executive has approved the PfG.

The case-study on Delivering Social Change recommends:

- Strengthening the outcomes-based focus of the Delivering Social Change policy framework to enable ministers to assess the performance of the initiative against multi-dimensional outcomes based on robust performance evidence.
- Building capacity in the Northern Ireland Civil Service (NICS), for example through training, in such areas as horizontal working, evidence-based decision making, and the policy sectors identified in the Delivering Social Change (DSC) strategy.
- Developing and applying quantitative multi-dimensional indicators of well-being as part of the evaluation of Northern Ireland strategies in social and economic policy.

The case study on Looked-After Children recommends:

- Using the renewal of child and youth strategy to engage both the Department of Health, Social Services and Public Safety (DHSSPS) and the Department of Education in setting priorities and articulating a vision that puts all children at the Centre.
- Consulting with the voluntary and NGO sector and children and their families to reinforce this goal.

The case study on commissioning for health services recommends:

- Promoting innovative health commissioning plans based on their ability to improve health outcomes.

*... by building sound evidence on strategy performance*

Northern Ireland's planning documents focus on broad measures of success as ultimate targets. The next PfG provides the opportunity to develop this approach further through an integrated national framework with a clear, defined set of key strategic outcomes. OFMDFM has taken the lead in developing what could become a set of Key National Indicators for Northern Ireland. However, it will be important that these new indicators focus on outcomes, rather than outputs, as is currently the case. The steps taken in Northern Ireland to increase the use of outcomes-based accountability, though still in an early adoption phase, underscores the goal of Northern Ireland's government to fully embrace an outcomes-based approach as part of its planning.

However, to ensure fully the application of an outcome-based approach, KNIs require the leveraging of information to determine policy and programme performance. In this regard Northern Ireland can draw from a number of sources of technical advice and data including the Northern Ireland Statistics and Research Agency (NISRA) and the UK Office for National Statistics (ONS). As a starting point, Northern Ireland should build upon ONS' well-being indicators to provide a baseline to measure social and economic impacts of government initiatives.

As an important actor in the shift toward outcomes-based planning, NISRA should be called upon to play a key role in supporting, technically, the transition towards a KNI system to help monitor the performance of the PfG. Enabling NISRA to play this role fully and meaningfully, free from political influence, will entail granting it greater independence from the Executive and its portfolio department, DFP. Strengthening NISRA's independence can contribute to more objective data management and evaluation.

**Recommendation 2. Enhance capacity in the Northern Ireland Statistics and Research Agency (NISRA) to pursue evidence-based policy and performance measurement and support the performance-monitoring of the PfG against the improvement of strategic results for Northern Ireland's people and society**

NISRA is a key source of evidence which can be used to inform government policies and programmes. However, its role should be enhanced to:

- strengthen the autonomy of NISRA by adopting (in law, if necessary) and announcing operating principles based on those of leading statistical agencies in the OECD
- strengthen NISRA's capacity through staff development and other key investments to ensure that the Agency can support the development of evidence on policy, programming and budgetary performance to support the implementation of an outcomes-based Programme for Government
- mandate NISRA to contribute actively to the development of the Programme for Government, in single-sector or horizontal strategies
- mandate NISRA to contribute to the definition and assessment of PfG and strategic outcomes/KNI indicators and to strengthen NI's data-collection capacity for monitoring and assessing policy performance against outcomes and results.

In addition to the information and data provided by NISRA, Northern Ireland should also draw upon additional sources of evidence to support outcomes-based planning, such as from Non-Departmental Public Bodies (NDPBs) and the Northern Ireland Audit Office (NIAO). Open Data can also be tapped to promote empirical analysis and enhance the possibility of producing better outcomes for citizens. Northern Ireland authorities should link better with and draw from existing UK-wide initiatives, such as *data.gov.uk*, which bring together public data to help people understand how government works and how policies are made. Improved performance information and evaluation results, with a focus on outcomes rather than processes and activities, will be essential to further refine an outcomes-based PfG framework. To support better planning and evaluation, the government should:

**Recommendation 3. Strengthen capacity for planning and evaluation through the development of better metrics and more robust outcome-based measures that can be independently evaluated**

The ability of governments to plan and evaluate policies and programmes is largely dependent on the presence of metrics and measures. Therefore, ensure that Northern Ireland has in place the means to plan and evaluate its policies and programmes by implementing the following:

- mandate departments and agencies to base all assessments of performance on robust, consistent and measurable indicators
- give high priority to the collection and dissemination of performance data across the government and externally using the NI Open Data Portal
- base policy and programme evaluation on clearly defined and measurable targets and objective criteria
- use results of policy and programme evaluations to inform the development of government plans and strategies
- mandate the OFMDFM and departments to communicate regularly, internally and externally, the results of policy and programme evaluations using easy-to-understand means
- actively engage citizens and non-governmental actors in evaluating government programmes and policies
  - extend this involvement to the government planning process
  - encourage input from NICS employees in government planning to take advantage of knowledge and experience
  - mandate the NISRA to chair a working group of public-sector data providers and users. The working group should be responsible for ensuring a public-sector-wide understanding of data-quality issues and requirements.

The case study on problem-solving justice recommends the following:

- strengthen monitoring and evaluation in the areas of problem-solving justice
- create a structured inventory of victim experiences

**Recommendation 3. Strengthen capacity for planning and evaluation through the development of better metrics and more robust outcome-based measures that can be independently evaluated** *(continued)*

- include in the monitoring system criteria related to case processing times, conviction rates, court-mandated probation and qualitative indicators.

The case study on Looked-after Children recommends the following:

- monitor, as a priority area for change, programme implementation and use the resulting data to identify areas for improvement. The absence of good monitoring data and research has held back progress for Looked-After Children
- invest in innovative interventions and evaluate the results
- conduct research on what works, for whom and under what circumstances
- incorporate evaluation results in programme design to provide a better evidence-base for policy and programming decisions
- include looked-after children, their families, carers and professionals responsible for programme implementation in any evaluation of the programme.

*... by strengthening the CoG's horizontal co-ordination capacity to pursue strategic outcomes*

The ability to co-ordinate across different government institutions and administrative silos contributes to the effectiveness of public governance. This is increasingly important, as the issues faced by governments are becoming more complex and multi-dimensional and require interventions from an array of actors, both internal and external to government. In Northern Ireland the Centre of Government (CoG) function is shared between the OFMDFM and the DFP.

- As the secretariat to the Executive, OFMDFM supports the management of Executive business and the application of the Ministerial Code across the government. It is responsible for co-ordinating the Executive's legislative programme and advising Departments on the processes and protocols relating to the operation of the institutions of government.
- DFP, for its part, plays a role in the planning process as a result of its responsibility for the budget and human resource management, procurement, shared and professional services, services to the citizen, and corporate improvement.

Neither is able to fully play its role as a CoG institution, as their primary responsibilities for a number of sector-specific policy areas draws time, energy and resources away from the exercise of their CoG functions. This has meant that policy and programme proposals transit through departmental stovepipes with little active government-wide co-ordination from the Centre. Though this situation may derive from governmental structures that were established as part of NI's power-sharing agreement and codified in the *Good Friday Agreement*, it also highlights specific behaviours and practices which have developed over time around these structures, notably the lack of

demarcation between political oversight and policy co-ordination functions. Though it is impossible to separate these functions completely, governments across the OECD have used organisational structures and standard operating procedures to provide clarity in the relationship between these two functions.

The siloed nature of Northern Ireland's government is also illustrated by the challenges departments face in sharing information, which is particularly critical given OFMDFM and DFP's roles. Lacking in information, neither OFMDFM nor DFP are able to track proactively departmental initiatives, which in turn, hampers their ability to oversee whole-of-government operations. Further, neither OFMDFM nor DFP are structured in a way that facilitates interface with the Departments on all strands of governmental activity. Such interface structures can enhance the capacity of CoG institutions to play their whole-of-government co-ordination role effectively.

One of the foremost responsibilities of government is public policy making. This is also one of the most challenging areas for governments as the complexity of societal and economic problems require increasingly multi-dimensional policy responses based on sound evidence and effective input from all relevant stakeholders, including from civil society, the business community, labour unions and academia.

This is well understood by Northern Ireland's political and civil service leadership. To guide Northern Ireland's approach to policy development, OFMDFM issued *A Practical Guide to Policy Making in Northern Ireland* for the use of policy staff. Acknowledging the challenge of maintaining a co-ordinated approach to government policy, the Guide makes explicit reference to the need for "joined-up government to address cross-cutting issues". This echoes similar statements contained in the current PfG.

In practice, however, the application of a whole-of-government approach is still aspirational with respect to the development of most policies and programmes. Even marquee initiatives such as *Delivering Social Change*, which were established to foster interdepartmental collaboration, have not durably managed to change an operational culture rooted in protecting the integrity of siloed mandates. This is the result, in part of political friction and lack of collective responsibility which leaves civil-service staff unwilling or unable to intervene to resolve issues or push on forward initiatives. In the case of the *Delivering Social Change* initiative, the civil service was only able to achieve success because of clear explicit support from both the First Minister and deputy First Minister as well as their political staff (who originated the idea behind the initiative). In absence of these signals, the bureaucratic response to resolving bottlenecks is to wait for direction.

To address these issues, the government should consider the following recommendations.



#### **Recommendation 4. Refocus/restructure and strengthen the mandate of the Centre of Government for government-wide policy and programme co-ordination and implementation**

Clarity with respect to the roles and responsibilities of CoG institutions for the co-ordination and steering of government actions is important. As a consequence:

- conduct a formal review the OFMDFM’s sector-based policy responsibilities within one year of the establishment of the Executive Office
- through this review, assess operational or sector-based policy overlaps between CoG institutions and departments/other government institutions. Then:
  - reduce/eliminate on-going OFMDFM responsibilities over sector-specific policy
  - transfer these responsibilities to the appropriate Executive department(s).
- ensure OFMDFM retains initial engendering responsibility for designing and launching key multi-sector strategic policy initiatives as appropriate. However, transfer responsibility for these initiatives to the relevant lead department as these mature.

#### **Recommendation 5. Ensure the CoG (the OFMDFM and DFP) strengthens links between horizontal and sector-specific strategies and the Programme for Government**

Currently sector-specific strategies are pursued independently of each other and of the multi-sector goals in the PfG. To improve whole-of-government coherence, the CoG should:

- require all departments to prepare a departmental strategic plan that is aligned with the PfG. In turn, require departments’ portfolio public bodies to prepare strategic plans that take into account the PfG and are aligned with the department’s strategic plan
- develop and apply a methodology to articulate sector-specific strategies and make its use mandatory to ensure coherence with each other and with the PfG.

The case study on Looked-after Children recommends the following:

- ensure that any strategy developed includes a clear statement of desired outcomes (results) and realistic short-, medium- and long-term outputs that support the achievement of the strategic objectives and results
- harmonise performance incentives across agencies and institutions contributing to the advancement of objectives under the Looked-After Children strategy, review inter-agency co-operation regularly, and make adjustments if necessary to ensure horizontal collaboration.

The case study on regulation recommends the following:

- establish a whole-of-government strategy for better regulatory quality, covering the regulation of businesses, citizens and the public sector
- extend the application of the better-regulation principles and tools, adapted if necessary, to regulation which places obligations on citizens and on the public sector itself (“Regulation Inside Government”), as well as to the regulation of business
- extend the application of the better-regulation principles and tools to all public sector bodies with regulatory responsibilities, inclusive of the executive departments, local councils, and other public bodies
- establish a programme of targeted streamlining of the regulation of businesses, citizens and the public sector itself.

**Recommendation 6. Ensure the CoG (OFMDFM and DFP) promotes horizontal co-operation across departments and public agencies to break down institutional silos**

At present, collaboration between executive departments, which works well when it occurs, tends to be ad hoc. To institute and sustain collaboration:

- establish financial and non-financial incentives and sanctions to break up existing silos and promote joined-up government
  - use budget allocations (for example Departmental contingency funds or special funds, such as the Change Fund for 2015/16, managed from the centre of government or from key lead departments) to foster collaboration and co-ordination across administrative boundaries where this makes sense, to define and implement multi-departmental responses to multi-dimensional policy challenges
  - other examples include: performance-pay for senior managers, disbursed (or deducted) purposive to the degree of inter-institutional work; horizontal collaboration across administrative boundaries as a competency to be evaluated in managers' annual performance assessments
- communicate the benefits of interdepartmental co-operation by codifying and sharing good practices across the system using existing NICS fora.

The case study on Delivering Social Change made this same recommendation.

The case study on Looked-After Children recommends the following:

- assign a clear mandate to a government department, agency or institution to lead the Looked-After Children strategy to ensure better interagency-working
- reinforce vertical and horizontal governance structures to implement the strategy through the development of standards and performance targets and indicators.

The case study on problem-solving justice recommended better collaboration between departments for successful problem-solving and justice innovations.

The case study on regulation recommends the following (see Recommendation 28 below):

- establish a whole-of-government strategy for better regulatory quality, covering the regulation of businesses, citizens and the public sector
- establish a Better Regulation Unit (BRU) within the OFMDFM with the responsibility of monitoring and maintaining momentum in the streamlining of regulation as well as developing ongoing regulatory policy tools to assist this effort (existing responsibility for developing regulatory content is to remain with departments).

**Recommendation 7. Institutionalise the CoG challenge function regarding policy and programme proposals as part of the decision-making process by the Executive**

Ensure that policy and programme proposals set before the Executive have been examined and challenged for their policy and fiscal impact as a key part of the policy and programme development process:

- mandate OFMDFM, DFP and, as applicable, relevant departments and public-sector bodies, to review all policy and programme proposals at the level of officials as a mandatory step prior to presentation to the Executive for decision
- ensure that Executive papers transmitting proposals for decision include a summary assessment prepared by OFMDFM and DFP of the policy and fiscal impact of the proposal, including the results of interdepartmental consultations and of citizens' engagement where applicable
- confirm that OFMDFM retains primary responsibility for support to the Executive in its deliberations on policy issues
- strengthen the capacity and mandate of DFP to play a financial, administrative and strategic human resources challenge function to departmental policy and programme proposals as they proceed to the Executive for decision
- mandate OFMDFM and DFP to be jointly responsible for whole-of-government performance-monitoring, including assessing spending against the achievement of strategic policy results.

At the political level, the Executive itself is too frequently called upon to diffuse issues or resolve policy differences between Departments that would normally be sorted out at the level of officials. Thus, without strong CoG institutions acting to unblock interdepartmental bottlenecks, policy making continues to be defined by narrow concerns lodged within departmental silos.

This also stems from the lack of supportive signals from the Executive to work collectively and collaboratively as a “single government”. Solidarity among members of the Executive is evidently weak, which undermines the principle of the collective responsibility in decision making and the concomitant role the civil service, notably its senior ranks, ought to play in supporting it. This lack of political cohesion reverberates throughout the system with managers and staff-level civil servants focusing on their minister's immediate-term political interests rather than seeking to work collaboratively toward an outcomes-based whole-of-government solution to the issues facing their department.

The Executive itself could play a greater strategic role in the governance of Northern Ireland if its behavioural norms were to evolve over time into a steward of a “single government” working toward a common purpose. This requires building a more robust commitment to the principles of Cabinet solidarity, with the Executive speaking with a single voice on the issues of the day. One means of fostering greater collective commitment by all members of the Executive to work beyond party differences toward a common purpose should be to engage in sustained team-building activities:

**Recommendation 8. Establish a mandatory induction and on-going training programme for members of the Executive, focussing notably on training associated with ministerial codes of conduct and such basic precepts of Parliamentary governance as Cabinet responsibility, solidarity and accountability**

- Ensure that the Executive is willing and able to work effectively and efficiently across political and community divisions has a direct bearing on its ability to operate as a single government focussed on setting and implementing a strategic vision of the future for the people of Northern Ireland. To this end:
  - design and apply a purpose-built induction programme, perhaps modelled on the Northern Ireland Assembly’s Politics + programme, prior to the appointment of the next Executive
  - make participation in the programme mandatory as a condition of membership in the Executive, including for the First Minister and deputy First Minister
- Ensure the programme focuses *inter alia* on citizen-centred decision making and capacity to work as a team across political and community-based divisions.

### ***Strategic human resources management***

Strategic human resources management can play a key role as a strategic enabler of public-sector reform. This includes imparting means to ensure that public employees are engaged in their work and can contribute to improving its efficiency and effectiveness. It also means having in place strategies to encourage behaviour that supports reform. Over a relatively short period, the Northern Ireland Public Sector will be adjusting to staff reductions, departmental re-organisations, new local government and education structures, and significant reforms in major areas of public services, such as welfare reform. The challenge for leaders will be to manage these changes with a public sector that already show signs of low morale and engagement and which lacks confidence in its leadership.

Most of the prerequisites to support the changes occurring as a result of public sector reform, including those specifically focused on the civil service, are already present in the NICS. For example, the NICS People Strategy sets out a range of HRM improvements that are aligned with the priorities of the Executive, including public sector reform. This is clear example of effective central co-ordination and could be showcased as a good practice to align whole-of-government workforce management, which is itself an important foundation of agility in government.

Competency management is one tool that can provide a foundation for workforce planning to contribute to organisational agility. Competency management provides a common definition of the abilities and behaviours employees require to do their jobs well, along with a common framework to ensure HRM processes are integrated. The NICS is well positioned in this area, having launched a new competency framework in 2014. Ensuring a smooth and effective implementation and integration of the framework in all NICS departments and agencies will contribute to agility by ensuring that all civil servants are managed under the same overall expectations, which should reduce barriers that preclude staff mobility between organisations.

Employee engagement is another area where there is evidence of good practice in the NICS. For example, in the strategic approach used by Enterprise Shared Services (ESS) in relation to staff engagement, with its key themes of leadership, communications and reward, and which has been recognised through the Ireland Excellence award and Best Companies accreditation.

Northern Ireland has chosen to proceed with a voluntary exit scheme as the means to reduce its staffing levels and pay bill, though this presents a risk in terms of loss of skills and experience. An agile public sector will be able to compensate by providing the right kind of support and incentives to those who remain and therefore redeploy people to the areas of highest priority to ensure operational continuity and optimal resource alignment. However, with departures already occurring under the voluntary exit scheme in 2015/16, strategic whole-of-government workforce planning may be a challenge. Overcoming these challenges implies developing and implementing whole-of-government strategic human resources management capacity. Evidence across the OECD suggests that its components include:

- leadership training programmes, valuable as a means of imparting whole-of-government perspectives to mid and senior level managers
- training that affects behaviour, such as networking, collaboration, and information-sharing, which has also been shown to make a positive impact on collaboration across governments
- incentives that encourage working in a co-ordinated and horizontal manner. This is particularly important at the senior level as it is to this level that staff looks for signals
- performance management processes, promotion and special training/fast-track programme opportunities, and special awards and recognition. These are also used in many OECD governments. Performance management should be explored as a means of increasing the attention of senior officials to the whole-of-government actions and as a means of changing organisational cultures.

A whole-of-government approach to HRM can also be encouraged by increasing opportunities for inter-departmental collaboration and exchange. At present, collaboration across departmental boundaries relies mostly on individual and professional connections which are typically informal in nature. This is discussed in the case study on streamlining regulations, for example, in regard to regulatory co-ordination. Other networks including the Policy Champions Network exist primarily as a community of practice rather than as an integral part of the policy development process. Formalising the role of the Policy Champions Network and other similar networks could promote engagement, autonomy and ownership. Likewise, incentives built around participation in such networks could be part of civil servants' performance assessments, including the possibility of group incentives for achieving key milestones identified in the PfG, for example.

For its part, the Permanent Secretaries Group, composed of the heads of departments, plays a major role in supporting and strengthening co-ordination across the NICS. However, while the Permanent Secretaries' Group contributes to information sharing, there is limited indication that it plays an active role in co-ordinating, steering, and implementing whole-of-government strategy or multi-sector initiatives and priorities. An enhanced role for the Permanent Secretaries Group in these areas, in addition to other changes at the CoG, discussed above, may contribute greatly to better co-ordination and holistic planning in Northern Ireland.

In light of the above, the government should consider the following recommendations.

**Recommendation 9. Strengthen a culture among public-sector leaders that values employee engagement, workforce agility to work effectively across silos and skills development for public servants**

Leadership development provides opportunities for leaders to interact, share experience and build a sense of common purpose and membership in a single team. The NICS competency framework is an example of this development strategy. The NI public sector should build a common leadership culture with a focus on employee engagement. To this end:

- use employee surveys to align leadership and drive a more innovative and coherent organisational culture in public bodies
  - use survey results at the directorate level or below to develop specific action plans tailored to each organisation
- foster agility by reinforcing and encouraging mobility across the public sector
  - encourage secondment opportunities to other public bodies
  - identify and remove barriers to cross-government mobility, both real and perceived
- review training programmes to ensure that public sector staff acquires skills applicable to the whole policy-cycle
  - include training in soft skills (e.g. communication, leadership), strategic planning, service delivery, and monitoring and evaluation, team building skills, skills related to data analytics and data visualisation to better analyse and communicate achieved results to decision-makers and legislative oversight bodies, as well as the public at large either directly or through the media.

The case study on Delivering Social Change recommends human resources tools be used to develop the capacity of NICS staff in such areas as horizontal work and evidence-based decision making, useful to DSC.

The case study on commissioning for health services observed that there is a need to develop skills and capacity to deliver change, and recommends that DHSSPS build capacity for leading change in complex systems, including training and recruitment to support change, and building a network of practitioners to help carry it out.

**Recommendation 10. Reinforce within the senior civil service a common sense of community based on a shared commitment to serve a “single government”**

The NICS senior leadership should play an important role in leading transformation and change. To this end:

- review and administer leadership development programmes to mid and senior managers that impart whole-of-government perspectives, notably around such transversal leadership objectives as innovation
- the case study on Delivering Social Change recommends that performance management of all senior officials from Grade 3 (Deputy Secretary) upwards include an assessment of their contribution to the advancement of whole-of-government priorities.

The case study on Looked-After Children recommends individual performance management as a major incentive to encourage working across agency barriers.

### Recommendation 11. **Invest in skills development to support innovation**

Successful innovation exhibits many different models. It therefore follows that innovation is best supported by a diverse range of actors with a broad set of behaviours, competencies and profiles. To develop its digital offering, innovative public services in Northern Ireland should:

- invest in the development of staff skills in areas such as data analytics, social media, prototyping and human-centred design, using a combination of peer-to-peer learning, work shadowing, external training, partnerships, and recruitment as appropriate
- promote Strategic Human Resources strategies as a key element in fostering a cultural change within the public sector to strengthen citizens’ engagement and improve dialogue with key stakeholders, such as the community and voluntary sectors
- create space for employee/team autonomy to make decisions and structure work in ways that enable performance and innovation
- move away from the traditional focus of human resources on compliance and develop new skill sets and capacities in performance auditing and outcomes-based auditing, as well as strategies to communicate their work in this area to the legislature and to the wider public.

The need to invest in staff capacity and training was also observed in the case studies:

- The case study on Looked-After Children recommends that the training needs of professionals and carers (and the funding to support new training) should be identified and should lead to the implementation of a training plan to support these individuals.
- The case study on problem solving justice made a similar observation with regard to ensuring that professionals with the justice system have the training necessary to fulfil their responsibilities.
- The case study on Delivering Social Change recommends that training should be used to develop the capacity of NICS staff in a number of areas such as horizontal working, evidence-based decision making, and other areas that were pursued as objectives of the DSC.

The case study on commissioning for health services recommends that DHSSPS consider how to build capacity for leading change in complex systems, including through training opportunities.

### ***Early intervention/prevention***

The identification of desired policy outcomes is a crucial element in the development of government policies and programmes. This is especially true where the interventions concern longstanding and apparently intractable social or economic problems. The Early Intervention/Prevention approach underscores the value of using evidence-based and outcomes-based approaches to design policy and programming. It is well understood across the NI public sector and among non-governmental stakeholders that intervening early to address the social problems of individuals or certain groups of individuals can diffuse these problems before they amplify.

However, with the exception of projects partially funded by Atlantic Philanthropies and Northern Ireland’s strategy to tackle domestic violence, Early Intervention/Prevention does not appear to be fully developed nor linked to an overarching social policy framework or strategy. As a result, while Early Intervention/Prevention is identified in some social-policy initiatives, it does not feature significantly in many others, including for example in the development of policies and programmes for Looked-After Children.

Although the Early Intervention/Prevention approach has been actively promoted by the non-governmental sector, there appears to be a lack of comparable attention given to this approach across the NICS. At present, departments appear to consider the application of this approach to consist principally in the collection of data. In some ways the status of Early Intervention/Prevention mirrors the one accorded to well-being: both are recognized as important but there appears to be no concrete government-wide strategy or plan to ensure that these are taken into consideration in the development of new policies or programmes. Countries that have been successful in implementing the Early Intervention/Prevention approach have done so on the basis of an affirmed strategy to support its application. This could be achieved through the inclusion of Early Intervention/Prevention as a core principle of the Northern Ireland Social Policy which is currently under development.

Part of the answer to fostering greater application of the Early Intervention/Prevention may also lie in further encouraging the shift to evidence-based policy and decision making supported by harnessing Big Data and Open Government Data, currently collected but left largely unused in policy development in NI. This type of big data analysis could also provide early intervention and prevention possibilities in other domains, for example in the case of looked-after children. As explored in the case study on Improving Educational Outcomes for Looked-After Children, there has been a lack of good monitoring data to date. With a focus on improving data quality and availability, the opportunity would then exist to take advantage of data analytics to help improve the targeting and outcomes of interventions (see Recommendation 6 above).

In order for Northern Ireland to realise fully the benefits associated with evidence-based service-design and delivery that includes effective Early Intervention/Prevention programming, NI needs to develop a clear strategy in this area. Hence, the government should consider the following recommendations.

**Recommendation 12. Establish a framework for the application of Early Intervention/Prevention as a building block for new social policies and programmes**

The ability to identify and act on factors that are shown to contribute to negative social outcomes is an important goal for Northern Ireland. To intervene early and mitigate these factors, Northern Ireland should:

- develop a holistic and comprehensive definition of Early Intervention/Prevention to ensure a common understanding and vision of what Early Intervention/Prevention entails in the context of Northern Ireland and the policies and programmes of its government
- ensure that all new social policies and programmes include criteria and indicators enabling the measurement of the application of Early Intervention/Prevention as part of their evaluation



**Recommendation 12. Establish a framework for the application of Early Intervention/Prevention as a building block for new social policies and programmes (continued)**

- use human resources tools, such as training, to further develop the capacity of NICS staff to learn and apply the concept of Early Intervention/Prevention, notably NICS staff responsible for the design and implementation of social policies.
- The case study on problem-solving justice observed that prevention is a domain that can benefit from better collaboration between departments, which should be promoted and monitored. Investments in education, health and social services can contribute to reduce crime and thereby prevent costs further down the justice chain. All three social domains (drug and alcohol abuse, mental health and domestic violence) would benefit from enhancing preventative measures.

**Recommendation 13. Strengthen data-driven analysis for improving service design and delivery**

The roll-out of the NI Open Data strategy and data-intensive digital initiatives such as the eHealth programme provide potential opportunities for using data in innovative ways for improving service delivery. To this end:

- build capacity and organisational support to move towards a data-driven culture within the Northern Ireland Public Sector
- develop centralised expertise, possibly within DFP, on open data and big data analytics, and greater engagement both internally and externally on the use of public sector data, as well as partnerships with the third sector and the private sector which have experience and expertise in this area.

The case study on Looked-After Children observed that the absence of good monitoring data and research has held back progress for Looked-After Children; it recommends that Northern Ireland invest in its capacity to monitor programme implementation and use data to identify areas of improvement.

### ***Digital governance***

Northern Ireland is well positioned to take advantage of the opportunities created by digital and innovative service delivery. Northern Ireland has taken impressive steps to develop its public services to better meet citizen needs and improve social outcomes. Northern Ireland's main challenges therefore lie in its ability to move from strategy and design for digital government to full implementation. From a service-delivery perspective this will require investments in order to realise the promises of digital government enabled service delivery improvements.

In Northern Ireland, DFP plays a central co-ordination role for digital activities through its Enterprise Shared Services (ESS) Directorate, which is responsible for whole-

of-government services in a number of areas including ICT across the Northern Ireland civil service. The ICT component of the initiative has been widely considered to be one of the most successful aspects of the ESS to date. By ensuring that the entire civil service has access to modern technology and interoperable platforms, it opens the possibility for the creation of greater value-added services for citizens and business.

Northern Ireland's Digital Transformation Service (DTS) is responsible for the central nidirect web portal ([www.nidirect.gov.uk](http://www.nidirect.gov.uk)) and the development of new online services, citizen contact centres, digital inclusion programmes and open data. DTS is mandated to implement the NICS Digital Transformation Programme (DTP) and its associated action plan under the framework of a "Digital First" strategy for new or redesigned services, launched in 2012. A Citizen Contact Strategy (CCS), launched in January 2014, also places significant emphasis on moving client contact to digital channels.

One of DTS' signature projects is the "16 by 16" initiative which aims to digitise 16 of the most popular government services by 2016. As the "16 by 16" initiative is implemented, the government has continued to press forward to reach its goal of delivering 70% of all citizen transactions with government through online channels by 2019 ([www.northernireland.gov.uk/news-dfp-270515-more-government-services](http://www.northernireland.gov.uk/news-dfp-270515-more-government-services)). In line with this objective, the CCS is aiming to ensure that all services comprising over 10 000 transactions per year meet the new "digital first" service standards in which digital online services are defined as the primary means of interacting with citizens or businesses.

As an increasing number of departmental services go online, interoperability and the principle of only providing information once become increasingly important. Without a focus on "digital by design" principles and interoperability of systems and databases, there is a genuine risk of siloed implementation. Though the CCS does provide an impetus for targets and for sharing good practices for digital service-delivery, ultimately, many of the implementation details are left up to individual departments. Without clear central guidance, co-ordination and standards, a decentralised process of targets and action plans could spur departments to rush to get something online at a superficial level, without engaging more deeply on the redesign necessary for true digital service delivery.

Digitisation will play a key role in the transformation of the public sector at large, given its potential to increase productivity and inclusiveness in service production and delivery. In the short term, this digitisation will be a precondition for ensuring sound fiscal policies; in the longer run, it will be equally important to maintain the public sector's credibility in terms of efficient and effective service delivery that is responsive to users' needs, thus nurturing public trust in governments' capacity to meet them.

However, caution is needed in extending the recourse to digitisation. The launch of new online services represents, in the minds of citizens, a singular opportunity to build a sense of momentum in the government's digitisation agenda. However, as it proceeds down this path, it will be important to ensure that online services are developed with a "digital by design" mind-set, not merely adding a layer of "digital paint" on top of existing processes.

The traditional view of public services is changing. In the past, public services were largely driven by supply. Today, new technologies and a more collaborative, open model of public-service delivery are creating an opening for users and society in general to

become active participants in framing, delivering and improving public services as they become more demand-driven.

Citizens' perspectives have become a crucial input when designing and developing public services ensuring that they accurately meet user needs and improve outcomes across society. Feedback from users, providers and indeed all stakeholders is pivotal in helping the public authorities develop a broader comprehensive picture of the reality of service delivery. Not only is this a vital input into the design, development and continuous refinement of existing and future services, but citizens' perspectives also stimulate innovation.

As Northern Ireland moves forward with online public services, it will need to be mindful of its region-specific challenges to digital services delivery. Within the United Kingdom, Northern Ireland has the lowest percentage of regular Internet users, estimated at 80%. Based on UK figures, it is also estimated that 1 person in 5 does not have basic digital skills and of these, 69% fall within the lowest socio-economic brackets. This entails that in many cases the segments of the population with the greatest need to access government services, particularly for health, welfare and social services, will have the greatest difficulty accessing digital services. However, Northern Ireland has deployed efforts to increase the number of its citizens who are active online through the Go ON Northern Ireland initiative which is partnering with libraries across Northern Ireland to provide digital skills training along with programmes specifically targeted at elderly residents through its "Silver Surfers" activities.

Across both the digital and innovation agendas, Northern Ireland has made important advances to improve service delivery by making use of international best practices. It is important that steps be taken to consolidate these efforts to ensure that they are supported by robust infrastructure and governance arrangements. This will be critical for Northern Ireland to reap the benefits from the investments it has made, and to create the conditions for its public sector to go further in the future. Recent collaboration with Estonia is a good example of such a practice.

In light of the above, the government should consider the following recommendations.

#### **Recommendation 14. Build stronger standards and accountability for digital services**

While the Digital First mandate and Citizen Contact Strategy provide good high-level guidance to push forward the development of digital services in Northern Ireland, given their decentralised model, there is a risk that the implementation could fail to meet expectations. Accordingly, Northern Ireland should:

- adopt a common and mandatory standard for all digital services being developed to ensure high quality and a user-centric development approach
- adopt and make mandatory the existing 18-point UK Digital Service Standard for any new services going on NI Direct
- adopt the Key Performance Indicators, used for United Kingdom's digital services, for all Northern Ireland's digital services, and build on the experience of Government Digital Services in developing their performance dashboard
- DFP should provide clear direction on the use of nidirect to improve public awareness of ways to interact with government online.

The case study on Delivering Social Change (DSC) recommends that OFMDFM seek opportunities to leverage digital technologies and social media to increase dissemination of information pertaining to DSC and in particular to build up citizen and stakeholder involvement in the initiative.

### Recommendation 15. **Strengthen centralised capacity for digital delivery**

Given the uneven distribution of technical skills and capacity across government, Northern Ireland should:

- establish a centralised expert team on service design and data analytics, perhaps within the DFP, to work with departments on the development of new online services.

### Recommendation 16. **Increase NI people’s access to online government services**

While there are consistent efforts underway to increase digital literacy in Northern Ireland, it still has the lowest percentage of regular Internet users in the United Kingdom. To this end, Northern Ireland should:

- sustain support to the Go ON Northern Ireland initiative and expand it with an increased focus on those within the lowest socio-economic brackets who have both the lowest levels of digital literacy skills and some of the greatest needs for accessing government services
- examine the role that libraries or mobile stops could play to expand digital literacy programmes as recent investments have been made in the Library system to upgrade IT infrastructures and enable Wi-Fi access
- engage third sector partners to provide digital literacy training, particularly to those who work with marginalised communities that are in the greatest need of upgrading their digital skills.

### Recommendation 17. **Enhance Northern Ireland’s international engagement in digital government and innovation**

Northern Ireland is well positioned to take advantage of growing expertise in innovation and digital service delivery both across the United Kingdom and internationally. The recent digital partnership agreement with Estonia is a good example of the typical international outreach that can help increase capacity within Northern Ireland. Similarly, Northern Ireland is part of a growing community of internationally based innovation labs. Therefore, Northern Ireland should:

- continue to work with the United Kingdom’s Government Digital Service, given its expertise in digital service delivery, and should include exploring an active interchange programme to further develop the skills and experience of key staff.

Seek opportunities to deepen its exchanges with other Innovation Labs, through peer to peer learning, work shadowing and short secondments, which are operating in a similar context in central governments, such as the United Kingdom’s Policy Lab, the French government’s *Futurs Publics* and Canada’s Innovation Hub.

## Improving engagement with people

Improving engagement with people is the second of Northern Ireland’s thematic priorities for the Review. Citizen engagement is an important contributor to policy and programme development and to their successful implementation. Public consultation is important because it provides a means to assess needs and evaluate priorities; it gives legitimacy to measures beyond the electoral cycle and provides a framework for accountability. An effective accountability regime contributes to responsive government by enabling performance information to be used to adjust policy and programmes to better reflect the needs of citizens and achieve results that, with greater measure, improve people’s lives.

### *Citizens’ engagement*

Though recognized as an important part of the policy and programme development process, citizen engagement in Northern Ireland should constitute an area of renewed focus across the NICS and the public sector as a whole. Though stakeholder engagement is both an identified best practice and a legal requirement under Section 75 of the *Northern Ireland Act*, there is considerable evidence that actual practice is at best uneven.

Citizen-engagement practice in Northern Ireland is supported by a number of tools which serve to guide departments in their use of consultations as part of the policy development process. The existence of these tools suggests that stakeholder engagement is recognised as a core part of policy making and its key principles are well-understood. It does not, however, guarantee that it is effective. In fact, the large number of guidelines and manuals, at times, generate inconsistencies between practices. That said, Northern Ireland should build upon its existing practice of engaging citizens successfully in the design, formulation and improvement of public services, and extend the applicability of this approach to all policy areas and in all departments.

Northern Ireland’s efforts in this area have moved beyond the traditional public consultation process to engage individuals across society in a discussion about the services that they need and want. One of these being discussed is the co-design methodology, which is being developed through Northern Ireland’s Innovation Lab. In the dawn of these initiatives however, and crucially, it is not yet possible to see how the findings from user engagement will influence the nature of the services being delivered and, most importantly, the outcomes that will be achieved through the delivery of these services. It is nevertheless encouraging that user engagement is taking place; NI should ensure that results are introduced into the next PfG.

Achieving more effective citizen engagement will also necessitate consolidating and building on the pockets of innovative activities that are already underway. This will require demonstrating the impact of current efforts by ensuring that citizen input leads to tangible results in improving the services citizens use. It also requires harnessing current efforts to implement more innovative, collaborative user engagement across the public sector. Both of these actions require a capacity to act and implement, but more fundamentally they require a cultural shift across the entire public sector – up and down service delivery chains – to embrace a more open model that sets citizens and their experience at the centre of policy making.

There is considerable scope in NI to broaden the number of actors involved in citizen engagement. The Northern Ireland Assembly, given its strong linkages to communities

through its Members of the Legislative Assembly (MLA), is already playing an important role in connecting the public to the government and politicians, but the Assembly could be playing an even greater role in this area. Local governments may also be asked to take on a more important role, given their new responsibilities over community planning. Organisations in civil society, such as the Joint Forum, are also well positioned and could be instrumental in building linkages between government and citizens. And as noted above, digital government is opening up new avenues for engagement with citizens as part of a move away from traditional processes, such as formal public consultations, toward more innovative co-design methods.

Currently in Northern Ireland social media is being used primarily in a limited way to push information out, with little active dialogue and engagement or monitoring of social media discussions related to service delivery. In some areas, social media and other tools for online citizen engagement are not being used at all –, as discussed in the case study on the Delivering Social Change Framework. Approaches that make use of digital technology are often efficient and effective as they enable the public administration to consult a broad spectrum of users in a relatively cost-efficient way. For Northern Ireland, digital tools may be one way to re-invigorate traditional consultation and feedback processes.

In Northern Ireland, citizens are engaged through regular surveys, such as the Omnibus Survey, which collects from a representative sample of the population information on various data (income, household) as well as preferences, opinions and behaviour. The administration also uses arm's length representative bodies to link together the government, the community and the public. The Patient Council and the Youth Council are two examples of organisations that are supported by government and engage users in policy development.

Yet digital technology has the potential to create new and vital opportunities for user feedback. Across the OECD countries, user monitoring services have developed so that service users can provide direct feedback on their satisfaction with public services. These methods provide the public sector with an understanding of how their services are performing, where opportunities for improvement lie, and where communication between the public administration and citizens can be improved. Hence, looking to the future lies an uncluttered scope for innovative methods to be applied to enhance “citizen-centeredness” of service design and delivery. In light of the above, the government should consider the following recommendation.

**Recommendation 18. Foster a culture change to strengthen citizens’ engagement and improve dialogue with key stakeholders, notably from the community and voluntary sectors**

To this end, Northern Ireland should:

- deepen stakeholder engagement to create better policies and promote legitimacy, instead of mere compliance with rules and procedures
- institutionalise citizen engagement throughout the whole policy cycle: undertake stakeholder engagement early in the policy-development process, and later evaluate the effects of policies, going beyond simply assessing if the policy was implemented, but evaluating in fact the impact it is having on the achievement of results and outcomes
- use new opportunities to strengthen stakeholder engagement with organised groups (i.e. trade unions, community and voluntary sector), and with the general public, for example, through the community planning function of local councils
- use the Joint Forum to discuss the changing relationship of civil society with government and how this affects the policy advocacy role of the sector in light of its increasing focus on public service delivery. Strong commitment to the engagement should be shown through senior level representation in the Forum
- leverage new forms of citizen engagement, such as social media or Open Government Data. The government should continue to experiment with ways of using social media in the public sector – to both actively engage with citizens and monitor feedback from key stakeholders
- develop a co-ordinated approach to the use of social media with a particular focus on measuring the impact of social media usage and building a community of government social media practitioners to facilitate the sharing of lessons learned between organisations.

The case study on Delivering Social Change recommends that OFMDFM and its partners establish a citizen engagement strategy coupled with specific measures to increase the contribution of citizens and stakeholders in the future development of DSC, including consideration for a role in identifying priority areas of the Signature Programme. It recommends that the Joint Forum be used as a platform to discuss which measures could be implemented and to engage civil society organisations as partners to reach out to a wider population.

The case study on problem-solving recommends that strong community engagement and participation be an important element in the continuation and expansion of problem-solving justice approaches.

The case study on commissioning for health services recommends that:

- health commissioning bodies systematically engage with all relevant health system stakeholders, the public, service users and the third sector, to help shape services
- health commissioning drive improvement by requiring patient, stakeholder and public engagement and using the results to inform the allocation of resources.

### *Openness, transparency and accountability*

Openness, transparency and accountability are three essential principles of good governance; their presence contributes to the effectiveness of governments and promotes trust in government. Northern Ireland can count on institutions which exist to support all three.

At the governmental level, Northern Ireland's accountability institutions, the NIAO and the Assembly, all play a meaningful role in ensuring that the Government of Northern Ireland is accountable to citizens and the legislature. The Assembly, through its committees, plays an important accountability role through the examinations of departmental activities. However, the Assembly could enhance its role as an accountability institution by contributing more deliberately to policy development, such as through policy studies, and by providing a function of challenge to the proposals that are developed by the Executive's departments.

The NIAO for its part is regarded as effective in providing feedback on the evaluation and monitoring of government programmes. However, going forward, there is a need for the NIAO to move away from its compliance-based auditing approach towards one that focuses on outcomes. This should entail the NIAO to take on a more proactive role in monitoring the government's progress on achieving its PfG outcomes. NIAO should also seek to enhance its capacity to communicate with the Assembly on a proactive basis.

At the level of citizens, the Information Commissioner's Office (ICO) and the Equality Commission both play an important role in protecting citizen's statutory rights. Where the ICO plays a monitoring and compliance role, the Equality Commission plays a dual role in promoting equality of opportunity and overseeing statutory equality duties. The Ombudsman's Office protects citizens against maladministration.

One area where Northern Ireland needs to improve is in its participation to the Open Government Partnership (OGP), notwithstanding the government's pronouncements to this effect. DFP officials have been engaging with the recently founded Open Government Network (OGN) for Northern Ireland on possible commitments under the third UK Open Government Action Plan. This presents an opportunity for the Northern Ireland Executive to engage in a dialogue with civil society about public-sector reform, based on the principles of open government, and play an active role in the forthcoming Action Plan.

The link between Open Government and accountability stems from the need to ensure that lines of accountability are discernible and clear, and performance indicators and data are measurable, available, accessible and comprehensible to all: government officials, MLAs, CSOs, citizens, and businesses. In the broader perspective, accountability stems from the ability of citizens and businesses, indeed any and all stakeholders in society, to assess the performance of public institutions on the basis of timely and up-to-date information

The awareness of the need to link accountability to outcomes is already strong in the public sector, for example through the adoption of outcomes-based accountability. However, continuing down this path will require increased attention to what information is being collected and how it can be used to improve governmental performance and societal outcomes. Hence, NI should:



### Recommendation 19. **Strengthen transparency and accountability mechanisms to build trust and to create better outcomes for people**

Openness, transparency and accountability are increasingly seen as key to good governance. Therefore, Northern Ireland should promote these principles and :

- take advantage of United Kingdom’s participation in the Open Government Partnership to commit to broader open government reforms and work with the newly established Network on Open Government to define priority areas for reform
- promote transparency and openness at the level of local governments. In particular, use the community planning function to ensure that citizens contribute to and understand the reasons for decisions with regard to policies and services and that these are based on publicly available evidence
- develop a whole-of-government approach on transparency and on how to handle government information responsibly in partnership with the media, the Office of the Information Commissioner, and departments
- enhance the role of the Ombudsman in the area of promoting openness and citizen engagement, working directly with civil society, and analysing public governance challenges to propose and monitor reforms that enhance open government.

The case study on commissioning for health services recommends that governance arrangements for health commissioning be reconsidered to enhance accountability to the public.

## Improving operational delivery of services to citizens and businesses

Improving the delivery of public services is NI’s third and final priority theme to be examined under the Review. It constitutes a goal being pursued by governments at all levels across the OECD. Faced with changes and challenges stemming from demographic, societal and economic factors, governments do not have any choice whether to change and adapt. Yet evidence gathered as part of this review suggests that Northern Ireland’s public sector is not meeting expectations in terms of public service delivery.

### *Restructuring for more effective government*

Good governance relies on a matrix of government institutions that have been established over time in the pursuit of specific public policy objectives and in the delivery of public services. Northern Ireland’s governance institutions have evolved to reflect the changing mission of government and the needs of the population. As is the case in several OECD countries, Northern Ireland has reviewed these institutions and taken steps to restructure them to improve the efficiency and effectiveness of public administration at the local and central government levels.

Effective 1 April 2015, local government amalgamation was implemented in Northern Ireland and follows earlier reforms in the area of health and social care. Through this process the number of local councils was reduced and significant new powers were transferred to them from the central government, thereby increasing the role

and responsibilities of this level of government in the provision of public services. Northern Ireland is pursuing local government reform to improve service provision, achieve cost reductions, and improve coherence between mandate, public interest and services provided by public institutions. Of perhaps greater significance is the impact that has had, on Northern Ireland's governance accrual, the decision to transfer the responsibility for community planning to local councils. This marks an important change in how government and citizens interact as this new responsibility is widely expected to lead to greater community engagement in local affairs, with the potential for impacts beyond local government.

The restructuring of departments pursues the same gains in effectiveness and efficiency as those pursued in local government reform. Announced in March 2015, departmental restructuring will lead to the reduction in the number of departments from the current 12 to 9 starting with the election of the new Assembly in 2016. As departmental restructuring has yet to take effect it is difficult to state definitively whether these changes will result in both savings and improvements in efficiency and effectiveness. However, beyond the reduction in administrative structures, the greater benefit to accrue from departmental restructuring stems from improved coherence in departmental mandates and responsibilities. Furthermore, the reduction in the number of departments should contribute to greater coherence within policy areas by eliminating institutional barriers in sector-specific programming (e.g. in education, where a single department will now be delivering most of the programming).

A common element in the decision to restructure both local governments and executive departments is that these were achieved in a consensual manner across Northern Ireland's political and community fault-lines. Instituted in 2015, the much-delayed amalgamation of Northern Ireland's five Education and Library Boards under a single Education Authority (ESA) highlights some of the difficulties which lie in the future as more politically sensitive areas of public administration face reforms. Crucially, political agreement between the members of the Executive will be necessary to continue down the path of reform, especially as hard policy and political choices are likely to be necessary in light of further anticipated constraints in Northern Ireland's fiscal resources.

As noted above, the decision to re-organise the structure of departments could contribute to improve the efficiency and effectiveness of government. Though a period of adjustment can be anticipated, both within the NICS and outside, as clienteles adjust to new responsibilities, this also constitutes an opportunity to leverage other policy and administrative improvements in citizen-centred services.

Northern Ireland's institutions of government reflect both the evolution of the role of government and the needs of the population. While Northern Ireland faces certain constitutional constraints in terms of the organisation of its government, this should not preclude an on-going and dynamic process of examining the institutional structure of its public sector to ensure that it is organised in a way that optimises its ability to deliver on its mission in the most effective and efficient way possible. Doing so should be a process that is dynamic and open to the broadest array of stakeholders as deemed possible.

### *Harnessing innovation, users and the third sector to improve service delivery*

Beyond its institutional dimension, improving operational delivery of services entails rethinking the means of service delivery to ensure better responsiveness, better quality, and more value for money in public services that actually improve people's lives. To this end, third-sector organisations can be a valuable resource for service delivery. They can

bring specialised expertise in particular issues, local knowledge that helps government better understand user needs, and a new perspective to stimulate innovation. Governments across the OECD are increasingly recognising the value of the third sector, alongside the acknowledgement that the public sector cannot operate alone if it is to be able to meet society's demands. This is reflected in greater collaboration for service delivery, with more partnerships and efforts to support the development of the social enterprise market.

While there seems to be a political opening toward new types of delivery models, this has been largely limited to commissioning and payment by results. The experience of commissioning discussed in the case study on health services in Northern Ireland highlights the challenges of getting commissioning right. Northern Ireland will also need to consider the type of third-sector organisation to involve in service delivery: experience in OECD countries suggest that these kinds of contractual arrangements tend to benefit larger and/or private sector organisations at the expense of smaller NGOs.

User engagement and harnessing results of delivery-experimentation and innovation initiatives (notably through the innovation lab discussed above) can all lead to improvements in the operational delivery of services to citizens. To optimise the ability to take advantage of the potential impact that innovation has on service delivery and on user engagement and partnerships with the third sector, the government should consider the following recommendations.

**Recommendation 20. Support the NI Innovation Lab as it seeks to develop its full potential through departmental ownership, skills development, active user and sponsor-department participation in lab sessions, and impact measurement**

Northern Ireland's Innovation Lab is an impressive example of how the government is nurturing innovation in the public sector. To support its development as a powerful source for achieving change across Northern Ireland's public sector, Northern Ireland should:

- Ensure that NI Executive departments gain ownership of the Lab through a financial contribution or by providing strategic direction to it.
- Distribute the cost of the Lab across all department budgets at the start of the next PFG and mandate a junior minister or senior civil servant from each department to sit on the Lab's board.
- Ensure that the Lab can move beyond the traditional skill set of civil service to employ such new techniques as ethnography, design and prototyping to help demonstrate the uniqueness of its approach compared with the rest of government, through:
  - informal 'shadowing' during a Lab project to help Northern Ireland's civil servants develop the skills mentioned above
  - involving the sponsor department in an active manner in the whole lab process to fully exploit the learning opportunities (and result in shared outcomes)
  - actively engaging users as Lab participants, both frequently and extensively across the full policy cycle
  - ensuring that the Lab continues to involve service-users actively in its projects at all stages of the process so that it does not just merely involve them in defining and researching an issue but as alternative options are articulated toward resolving the issue, thereby obtaining feedback, re-developing and refining until the ultimate solution to the issue is disclosed.
- Use indicators to measure the Lab's impact. Indicators should range from simple output indicators that measure the Lab's activity (e.g. number of lab projects conducted, number of departments engaged with) to more outcomes-based indicators on how the Lab is affecting change in government (e.g. by asking sponsor departments to evaluate their experience, how it changed their perceptions, track the Lab's recommendations, etc.). This should be complemented by outcome-based indicators that measure the impact of the Lab's activities on service delivery.

**Recommendation 21. Pursue the restructuring/rationalisation of Departments in the Government of Northern Ireland, and the implementation of the restructuring/amalgamation of local governments, and monitor impact against results over time**

- Develop an assessment framework, including a small number of performance indicators, to assess after a suitable period (say, five years), the impact of this restructuring on, for example:
  - the efficiency of decision making from the citizen’s standpoint
  - the effectiveness of service design and delivery, including on the quality of services, their delivery, and the impact of the restructuring (including the resulting savings in human and financial resources) on the achievement/improvement of results/outcomes for people
- Use this performance information as input into decision making on whether and how to adjust course/pursue further restructuring/rationalisation initiatives.

**Recommendation 22. Mainstream innovative approaches across government and the wider public sector by fully utilising existing networks and pockets of innovation in service design and delivery**

Reinforce these efforts through political leadership and commitment:

- Use the Innovation Lab as a springboard to increase awareness of innovative approaches and develop capacity across the public sector to service design and delivery.
- Develop a general policy for user engagement across government. The policy should outline expected standards, procedures, and elements to ensure coherence and co-operation across departmental boundaries.
- Obtain political leadership and commitment so that the outputs of innovative approaches (e.g. from the Innovation Lab’s projects) can be implemented across different policy areas.

The case study on Looked-After Children observed that a number of promising policies and programmes have been identified but that the evidence base is not robust, and recommends that the value of these innovations be assessed to identify and share information on what works, for whom and under what circumstances they can be applied.

The case study on commissioning for health services observed that there is a need to encourage a more ambitious, more proactive approach, creating an environment of innovation, experimentation and learning to help inform the direction of future Commissioning Plan Directions, and recommends that the commissioning process encourage adaption and improvement, recognising that it rarely “gets it right” the first time.

**Recommendation 23. Use Northern Ireland’s innovative user-engagement exercises to identify demonstrable results on how citizens’ input has been used to shape public services, and engage “early movers” in this field to share experience and practice across the public sector, notably the NICS, on what user-engagement means and the potential impact that it can have on improving service design and delivery**

- In so doing, continue to review NI public-administration bodies with a view to improving their responsiveness to the needs of the population while delivering more efficient, effective, and quality public services.

### Recommendation 24. **Support third-sector capacity in partnering on service delivery**

Providing Northern Ireland’s population with the best public services that the public sector can does not mean that the public sector needs to act alone. The third sector has invaluable local knowledge, expertise and networks that can be tapped into to help deliver public services in partnership. To harness this potential, open up opportunities for third-sector engagement in service delivery:

- consider how Northern Ireland can invest in third sector capacity so that it can meet delivery needs
- review public procurement processes to ensure that different service delivery models can be tested
- shift Northern Ireland’s role to one of “investor” (rather than a “giver”) to community groups, and design service delivery models that facilitate third sector participation, while investing in capacity through seed funding and skills development
  - clearly articulate expected outcomes (in return for the provision of funds) and support capacity-building in the third sector for service delivery
  - invest in training in the third sector on financial management, demonstrating impact and business growth
  - provide seed funding to facilitate the growth of the social impact investment market to help increase the availability of capital providers to social organisations.
- use the Innovation Lab as an institutional setting for a more collaborative approach to commissioning, and to provide the springboard for implementing the technique across other areas of government
- provide incentives for greater inter-community engagement within civil society. The community sector’s close links to the local level means that it is well placed to help support interaction across different communities. Northern Ireland should:
  - promote activities that challenge rather than reinforce the status quo, and
  - provide incentives for partnership and co-operation across community divisions as part of government investment and purchasing to deliver services more efficiently and effectively.

The case study on healthcare commissioning recommends:

- facilitating the third sector’s role as a partner in healthcare service delivery through a more collaborative approach to commissioning, opening up service delivery opportunities, and investing in the third sector to develop its professionalism, capacity and capability
- making greater use of collaborative commissioning by involving third-sector organisations in deciding what public services are provided and how they are delivered.

### ***Procurement reform***

Across the OECD, governments have focused on procurement as an area where process and procedural improvement can increase the effectiveness and efficiency of governments. The Review finds that substantial progress has been made in improving the context for public procurement in Northern Ireland. Strategic plans focusing on establishing governance structures and a professional approach (2002-05), pursuing value for money (2005-08) and driving economic sustainability through public procurement (2008-11) indicate a sustained interest and focus on public procurement reform. While the procurement process in Northern Ireland has improved, it reflects issues that have been identified in other areas of the Review such as lack of stakeholder engagement, institutional barriers, and lack of political or senior level attention and direction.

While efficiency and cost effectiveness are among the primary objectives of public procurement, governments increasingly use this purchasing power as a policy lever to support various secondary objectives such as green growth, the development of small and medium-sized enterprises, or innovation. In Northern Ireland this approach has been part of procurement policy since 2005 and social clauses have been included in construction contracts in Northern Ireland since at least 2008. Northern Ireland's commitment to using public procurement as a means of pursuing social goals is a key part of the 2011-15 PfG. Other actors have also played a role in the advancement of social objectives through procurement.

Though the Review finds that the focus on incorporating social clauses has yielded positive outcomes in some cases, these successes have not been consistent across departments or projects with successful use of social clauses often dependent on high level departmental support. To improve outcomes in the pursuit of social objectives through public procurement, elevation of the importance of the issue and its inclusion early in the commissioning process should be pursued.

#### **Recommendation 25. Identify and empower owners of social policy objectives in public procurement**

- Ensure on-going, high-level commitment to better integrate social objectives in the planning and commissioning phases of more procurement processes.
- Develop and make available expertise to commissioning and procurement officials as they undertake their work.
- Clarify the role and remit of procurement officials to ensure appropriate inclusion during the planning and commissioning process.
- Develop the necessary expertise, collect and share successful examples and best practices within the Northern Ireland, and cultivate additional relationships with neighbourhood, local and regional organisations that can assist in identifying proposals for social outcomes that are truly welcomed by and beneficial to the targeted communities.

### Recommendation 26. **Strengthen Northern Ireland’s governance in its procurement function**

The case study on public procurement recommends that DFP should:

- evaluate, with relevant stakeholders, agenda-setting for the Procurement Board
- address perceived risk aversion to empower innovative decisions
- develop further the role of officials responsible for commissioning procurements
- leverage existing successes as pilots to cross silos
- clarify and harmonise the roles of relevant stakeholders in the commissioning and delivery of major infrastructure projects.

### ***Streamlined regulation and processes***

In Northern Ireland regulatory simplification has been recognised as a priority area for government and is currently the object of a well-designed strategy, the Northern Ireland Better Regulation Strategy, which includes elements identified as good practice by the OECD. However, despite progress made in regulatory simplification, parties affected by regulation perceive little change in the regulatory environment.

Northern Ireland’s Better Regulation Strategy is primarily concerned with regulatory policy and processes as these impact on the business sector (including voluntary organisations, charities and social enterprises) with the primary objective of stimulating the economy through a business environment which is attractive to new investors and increases competitiveness for existing businesses. It is an on-going effort on the part of government to streamline and simplify the regulatory process.

Ensuring that regulations are coherent with the government’s strategic vision engages the same processes as policy-setting and planning in other areas: proposals are assessed, decided upon, implemented and evaluated. The process of regulatory streamlining and simplification should follow the same path. Regulatory policy is an area of horizontal policy which cuts across different policy subject areas and regulatory authorities. It addresses the justification for intervention by public authorities and the means of intervention, as well as the effectiveness of regulation in achieving policy aims.

However, as in other areas of policy, Northern Ireland’s efforts in regulatory reform have been hindered by a lack of co-ordination and cross-departmental co-operation. Therefore, as in other areas, Northern Ireland needs to put in place mechanisms that will foster a whole-of-government perspective on regulatory reform. In doing so Northern Ireland could reference international examples such as Canada’s Regulatory Affairs Sector, which lies within a CoG institution, the Treasury Board Secretariat, or the New South Wales’ Department of Premier and Cabinet, responsible for the State’s Better Regulation initiative.

In addition, policy reviews of existing regulation in Northern Ireland have produced some notable initiatives in streamlining regulation which are highlighted in the Better Regulation Strategy annual reports and in the review of business regulation. Northern

Ireland has also adopted the practice of regulatory stock reviews. However, Northern Ireland’s approach to regulatory stock reviews has not been systematic to date. In this regard the Review of Business Red Tape recommended a rolling programme of reviews, with regulations being review every seven years. Northern Ireland should follow this advice. In addition, the NI government should:

**Recommendation 27. Establish a whole-of-government strategy for better regulatory quality, covering the regulation of businesses, citizens and the public sector**

- Extend the application of the better regulation principles and tools, adapted if necessary, to regulation which places obligations on citizens and on the public sector itself (“Regulation Inside Government”), as well as the regulation of business.
- Extend the application of the better regulation principles and tools to all public sector bodies with regulatory responsibilities, inclusive of the executive departments, local councils, and other public bodies.

**Recommendation 28. Establish a Better Regulation Unit (BRU) within the OFMDFM with responsibility to monitor and maintain momentum in the streamlining of regulation as well as developing ongoing regulatory policy tools to assist this effort**

Assign responsibility to the BRU for:

- providing guidance to Executive departments, local councils and other public bodies with the delivery of their commitments under the regulatory stock review programme, providing both support and constructive challenge
- planning, design, and implementation of the extended scope of better regulation strategy and tools to cover all sectors affected (citizens, businesses and within the public sector)
- monitoring progress and reporting to the First Minister and Deputy First Minister on the achievement of regulatory reduction targets
- executive departments, local councils, and other public bodies which should be responsible for reporting to the BRU for their delivery under these programmes.

The FM and DFM should report annually to the Northern Ireland Executive and Assembly on results in pursuing reductions in regulatory burden and cost.



**Recommendation 29. Establish a programme of targeted streamlining of the regulation of businesses, citizens and the public sector itself**

Launch a rolling programme of regulatory stock reviews of priority areas identified in the PfG and covering all three targets of regulation: citizens, businesses and the public sector itself.

- apply regular regulatory stock reviews to all the executive departments, and also regulatory practice in local councils and other public sector bodies
- base measurable targets for reducing the cost and burden of regulation on the Standard Cost Model for the regulation of businesses, adapted measures for citizens, and cost savings for the public sector itself
- make Ministers accountable for achieving cost and regulatory burden reduction targets within their portfolios (ministerial departments and other public bodies)
- as accounting officers, make Permanent Secretaries responsible for implementing streamlined regulations using centrally-defined methodologies and tools and in line with whole-of-government programmes. For non-Executive departments, this responsibility should lie with the Chief Executive Officer or equivalent.

### Conclusion: On staging, sequencing and implementing reform

Over the years the OECD has collected and analysed data, peer-reviewed the policies of member countries, identified good practices and given advice on public governance reform. It has worked with both member and non-member countries to advance reform in this area and has articulated strategies for designing and implementing approaches to public governance structures and decision making that effectively and efficiently advance national interests in growth, development, jobs, taxes, education, competition and, more recently, innovation. The potential for structural and institutional reform to enhance long-run productivity and growth has been highlighted by a large and growing body of OECD work.

Increasingly, though, governments underline that effective policy is not only about “where to go” but also about “how to get there”. In response, in 2007, the OECD began to look systematically at the political economy of reform and to discuss this dimension in Committees and the OECD’s Centre of Government working group. Almost all OECD countries face medium- and long-term structural challenges in the context of global imbalances, climate change and population ageing. The recent financial and economic crisis has underscored the relevance of governments’ capacity to realise structural reforms, and the need for better governance including better regulation, co-ordination and decision making based on sound evidence, and clearly point in the same direction.

While the content of reforms may differ from country to country and from domain to domain, institutional and governance approaches have become possibly even more country-specific. The OECD certainly acknowledges that there is no “one-size-fits-all” for public sector reform. One issue raised regularly in debate on public-governance reform is the relative merit of quick “big bang” actions and more gradual, incremental progress. One argument in favour of big-bang reforms is that resistance to further activity

might be overcome by using windows of opportunity and packaging diverse changes in a single, politically attractive package. Arguments in favour of incremental reform suggest that dialogue and the development of competencies enables feedback on incremental measures and reduces the risk of failure over the medium term.

For the government of Northern Ireland, as elsewhere, the choice between these two approaches is a question of political judgement that is context-dependent. That being said, there are six broad lessons that the OECD has identified from its current work in this area that might serve the government of Northern Ireland as it sets its course to pursue its public-administration agenda in its upcoming PfG. These are:

- **Set priorities.** Reforms often have many dimensions, with differing degrees of priority. Choose wisely, based on evidence and how best to achieve policy objectives.
- **Create a clear roadmap.** The government needs to be clear about the path it will follow and about how best to sequence key steps along the way. Clearly identify “winners” and “losers” of a reform initiative. “Losers” need to be acknowledged and their losses taken into account.
- **Focus on implementation, and maintain flexibility in pursuing it.** Capacity for reform implies the ability to sustain it over time while assessing progress regularly. The system has to remain flexible and has to adjust reform paths to evolving conditions. It has to focus its communication on the outcomes of reform. Citizens are generally not very interested in public governance reform – unless it affects such fundamental services as health-care and education. Communications should therefore focus on improvements and positive, outcomes-related impacts.
- **Exploit windows of opportunity.** Crises offer opportunities to innovate and fix problems, identify and seize opportunities to address deficiencies.
- **Leadership.** Virtually all assessments of public governance reform stress the importance of strong leadership. Many also point to the need for government cohesion in support of reform: if the government does not speak with a single voice around a reform proposal – and medleys forcefully in its favour – it will send mixed messages around the government’s commitment to it. Leadership is as collective as it is individual.
- **Communicate.** A plan should be developed around which to plan and execute communication activities aimed at explaining to governmental and non-governmental stakeholders the actions that are to be taken as part of public sector reform and the timeline for rolling out the reforms.

The final recommendation below seeks to address these points.

**Recommendation 30. Northern Ireland should assign responsibility for implementing these recommendations to a dedicated project office (perhaps styled as a Delivery Unit) located within the OFMDFM, co-led by the OFMDFM and the DFP**

- The project office should be headed jointly by a senior official from OFMDFM and from DFP. The project office, in turn, should be made-up of civil servants seconded from all executive departments as well as from major non-departmental bodies, such as the Health and Social Care Boards. The personnel selected for the project office should be of sufficiently senior rank to enable them to engage their respective departmental leadership effectively.
- The project office should report to an Implementation Committee composed of Permanent Secretaries and the heads of major non-departmental public bodies and chaired by the Head of the Civil Service.
- The Implementation Committee should report to the Executive through the Head of the Civil Service. The Executive should be the final decision-making body with regard to implementation.
- The Implementation Committee should report on progress to the Executive on a regular basis, either bi-annually or annually, on both outputs and outcomes being achieved through the reform-implementation process. This performance information should inform PfG and Budget planning.
- The Executive should report annually on progress to the Assembly and people of Northern Ireland.
- Permanent Secretaries, collectively as a group and individually within their responsibilities for their department, should be held accountable through their annual performance-appraisal process for the implementation of reform plans and actions approved by the Executive.
- Performance agreements for all project office personnel, permanent secretaries, and the Head of the Civil Service should make explicit reference to the realisation of key reform deliverables.

In the course of this Review, the OECD made a number of findings and observations which frame its recommendations:

- The near-term environment in which Northern Ireland’s government makes decisions will likely not change markedly. Fiscal pressures arising from restricted growth in the DEL Budget will continue to affect the ability of the government to design and deliver quality public services on a sustainable basis.
- Employment and wealth creation in Northern Ireland will also likely continue to lag behind other regions of the United Kingdom; reductions in public spending and staff could further slow the rate of economic growth.
- Community fault-lines will continue to be a factor in defining Northern Ireland’s society. To this are added demographic factors similar to those faced elsewhere in Europe: the ageing of the population, growing multi-ethnicity, and growing

inequality in socio-economic conditions whether relating to income, educational attainment or health status. At the same time community bonds are being redefined through social media and other non-traditional sources of social-capital formation.

- Civil society and other non-governmental actors are increasingly present as providers of services. As trust in government wanes across Europe and elsewhere, citizens will increasingly look to civil society and the private sector as partners in meeting their needs.
- The public sector is uniquely placed to address these factors, in Northern Ireland as elsewhere, though doing so successfully will require it to change. This Public Governance Review argues the proposition that to address these challenges successfully, Northern Ireland's public governance arrangements need to evolve.

As stated at the beginning of this assessment, sound public governance – the ability of a government to identify and plan strategically to address existing and emerging multi-dimensional policy challenges using sound evidence, mobilising internal and external resources, starting with citizens, to execute these plans efficiently and effectively with services that actually improve outcomes for people, and use and communicate robust performance information to adjust course if results are not being achieved properly – can help position Northern Ireland to achieve its aim of improving public services to meet people's needs, thereby enhancing its ability to improve multi-dimensional outcomes for citizens and businesses over time. Not doing so might simply lead to drift and to the long-term worsening of the challenges that the government and people of Northern Ireland so fervently wish to see resolved.



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