Service delivery reform and our digital journey
A case of the Department of Human Services

Winner, ISSA Good Practice Award - Asia and Pacific competition 2015

Department of Human Services
Australia
Summary

Driven by a commitment to providing Australians with access to convenient and cost effective services, the Service Delivery Reform programme (SDR) was announced in 2009. This AUD $1.25 billion programme included transforming the delivery of government social welfare services and integrating three large, separate service agencies into the Department of Human Services (the department).

In 2012, the department also assumed responsibility for developing a single, secure government digital service (myGov) to improve Australians access to online services. By 2015, the department had successfully integrated and achieved significant outcomes for government and Australians:

- From 570 fragmented shopfronts to integrated service delivery through 380 shopfronts and a flexible, multi-skilled workforce.
- A network of Community Engagement Officers and mobile service centres providing whole-of-government "assisted" service delivery to customers who may have difficulty accessing government services.
- From multiple, unconnected agency digital services to myGov with over 7 million active accounts and 130,000 sign-ins each day connecting Australians to nine government services; and
- From less than 15% of people doing online transactions in 2010 to over 50% in 2015.

CRITERIA 1

What was the issue/problem/challenge addressed by your good practice?

Budgetary pressures, advances in technologies, changing community expectations and rising demand for services created significant challenges for the delivery of social welfare services.

A new approach to deliver more convenient, efficient and effective social welfare services was required, however customer interactions were fragmented and duplicated between three agencies: Centrelink, Medicare and Child Support.

As much of the infrastructure was outdated many basic transactions were time and labour intensive and unable to be accessed online, resulting in high costs to government and the community. Changes were needed to deliver more support for those customers most in need and allow greater flexibility and choice in how people did their business with government.
CRITERIA 2

What were the main objectives and the expected outcomes?

Service Delivery Reform was an ambitious business transformation initiative with three objectives:

1. Achieve more effective service delivery outcomes for government;
2. Make people's dealings with government easier through better delivery and coordination of services; and
3. Improve the efficiency of service delivery.

Strategic outcomes were structured around creating greater opportunity for community and stakeholder contribution to service design and delivery; and a more agile, responsive, flexible and cost effective service delivery system.

CRITERIA 3

What is the innovative approach/strategy followed to achieve the objectives?

Easier access to services

Prior to 2010, three agencies (Centrelink, Medicare and Child Support) delivered the majority of the Australian Government's social welfare services. With a workforce of over 37,000 staff and delivering payments in excess of $164 billion each year, these agencies touched the lives of most Australians. However, services were fragmented and duplicated, with limited access for remote and at-risk customers. The amalgamation of these agencies under the Department of Human Services brand unified service delivery through integrated shopfronts, processing and call centre operations; resulting in significant efficiencies for customers and government.

Some 570 standalone service centres were consolidated to 380 shopfronts with a unified brand. Agency websites and telephone numbers were integrated, reducing service delivery overheads and providing a single source of truth for policy and service information accessible to staff and customers.

There is increased support for customers who may have difficulty accessing government services. A network of Community Engagement Officers has assisted over 22,700 people identified as homeless or "at-risk" of homelessness. In 2014-15, three mobile service centres visited 607 locations across Australia, assisting those living in rural locations and communities affected by natural disasters. These mobile service centres operate as a platform for whole-
of-government, cross-jurisdiction and cross-sector service delivery, as they are equipped with satellite based network connectivity, high speed video conferencing, access to online services and counselling services and hands-on support for assisted online claiming and broader digital servicing.

Customer centric co-design

A world class co-design methodology was developed and implemented. This methodology informs and guides the design and delivery of services, and helps policy departments develop and deliver more effective policy.

Customers have meaningful input to the design of government services and policies through this approach, providing the opportunity to cooperatively explore and identify mutually beneficial policy and service delivery outcomes.

Co-design with our staff on transformation initiatives has resulted in business systems, processes and control structures that are easier to learn, use and manage; leading to better organisational change outcomes and reduced operating costs.

The department has over 300 trained practitioners and trained over 100 people across central government and policy departments in co-design methodology.

Digital solutions

The department has made investments in digital services, replacing limited and unreliable online services with a 'digital-first' approach. This removed duplication, reduced reliance on time and labour intensive paper based systems and delivered more efficient, effective and accessible services.

The department has released six mobile apps with over 5 million downloads and 87 million transactions and made an expanded range of social welfare and health service claims available online. Customers can lodge documents electronically with over one million documents lodged and 46 million letters delivered in 2013-14. 95% of Medicare claims are now submitted electronically.

Reduced demand for face-to-face service delivery and less duplication allows staff to focus on more intensive and higher value service activities, providing flexibility to meet the future service delivery needs of government. An agile approach to workload and resource management allows optimal resource allocation to meet peak workloads or to respond to national disasters. Reduced reliance on paper correspondence has also led to a reduction in postage costs.

A whole-of-government approach to digital services - myGov

The introduction of myGov marked a major change in the way government departments work together, using a highly collaborative cross-agency approach to the design and delivery of
digital services. myGov provides a secure, integrated online experience across departments, meeting the needs of individuals while enhancing whole-of-government capabilities to deliver digital services.

With over 7 million active accounts, Australians have the convenience of a single, secure digital account to access nine government departments to transact their business, manage government digital correspondence and update their information. On average daily 130,000 people sign in and 126,000 mail items are delivered through myGov.

This whole-of-government response provides the foundation for a co-ordinated response to future changes and opportunities within the digital economy.

The success of myGov has been extended with the trial of a number of myGov shopfronts, a joint undertaking between the Australian Taxation Office and the department. The key intent of these shopfronts is to support customers to use digital services, connecting online with myGov and other government departments.

**CRITERIA 4**

**Have the resources and inputs been used in an optimal way to achieve the set objectives and the expected outcomes? Please specify what internal or external evaluations of the practice have taken place and what impact/results have been identified/achieved so far.**

An outcome of the transformation was expanding access to government services while reducing service delivery costs.

A range of measures have demonstrated substantial savings through the consolidation of office leases and locations, investment in digital services, a single telephone number and website for customers, single platforms for telephony, mobile, data and IVR services, and streamlined and uniform ICT support for staff.

Through integrating and streamlining services, the department has reduced staff numbers from almost 37,500 to 34,500, while providing increased assistance to people who are "at-risk", affected by disasters, or living in rural and remote communities.

Customer satisfaction ratings show customers feel better supported, have an increased awareness and understanding of entitlements and obligations, with customers making less mistakes around compliance. Our digital services provide customers flexibility when interacting with government.

Staff capability has been transformed through enhanced skills development, better connections and improved technological support. Staff deliver tailored services at the local level and receive
training to ensure they have skills to transition into new roles or processes as required by the department.

CRITERIA 5

What lessons have been learned? To what extent would your good practice be appropriate for replication by other social security institutions?

A central lesson has been the focus and commitment required to deliver a transformational change to position an organisation for the future, while continuing to provide the services to millions of people that are required today.

Many delivered capabilities are now used to guide departmental and government business practices, e.g., the customer centric co-design approach is used by a number of departments to formulate more effective policy. Further, SDR has provided a central platform for the department to embark on its next piece of transformational work, the Welfare Payment Infrastructure Technology programme, a major seven-year investment to replace the departments ageing payments infrastructure.

The department learned how to undertake a complex integration of corporate support arrangements including finance, payroll, enterprise agreements, ICT and property. The department also enhanced its ability to operate a complex service delivery organisation while simultaneously transforming itself to be more efficient, responsive and cost effective.

The successful integration of the department provides a model for joined-up services that could be extended to benefit all tiers of government, non-government organisations and people who use government services.

myGov has demonstrated the value of a whole-of-government approach to digital services. Nine government departments use myGov and a number of shopfronts provide customers with support to use myGov services. The success of myGov as a whole-of-government service approach has provided the basis and platform for the Australian Governments Digital Transformation Agenda announced in late 2014, and generated significant interest from other levels of government, providing a unique opportunity to design and deliver integrated digital services for Australians across all tiers of government.