



CIVICA

Transforming the way you work

**The Changing Landscape
for delivering services**
Co-design; different ideas
from a different voice

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The landscape continues to change for local governments and their communities

A decade from now, local government organisations will differ greatly from those we know today.

The pressure on local councils in Australia and New Zealand to deliver a diverse range of services to their communities is increasing in the face of budgetary constraints, growing population, ageing infrastructure and workforce and many other issues. In addition, the council of the future will be required to deliver services to citizens faster, more frequently, and on a more personalised basis.

As a key partner with the local government sector, we at Civica recognised the need to identify the challenges facing local government and help find effective solutions to them.

In follow up to our Changing Landscape for Local Government report that was published in late 2015, we were delighted to once again work with the Institute for Public Policy and Governance at the University of Technology Sydney (UTS:IPPG) to commission the next phase of research that explores how local governments in Australia and New Zealand are involving citizens in the design and delivery of services, using the lens of co-design as an approach.

As part of this research, our partners at UTS:IPPG connected with local government professionals representing more than 30 councils across ANZ conducting in-depth phone interviews which assisted in their analysis of how councils interact and engage with their communities.

I hope you find this report beneficial and that you can use some of the findings to assist in your current and future projects.

Richard Fiddis

Managing Director, Civica International



Service design and delivery

Civica's Changing Landscapes research provided important insights and perspectives from local government professionals on the councils and citizens of the future, with a particular focus on digital services and technologies. As a follow up to the Changing Landscapes research, Civica is interested in further understanding how service design and delivery is evolving within councils and enabled and supported by digital technologies.

This report is based on research Civica commissioned from Institute for Public Policy and Governance at the University of Technology Sydney (UTS:IPPG) to explore how local governments in Australia and New Zealand are involving citizens in the design and delivery of services, using the lens of co-design as an approach. The research is particularly focused on examples of:



How digital technologies are being used by local governments to enable and support co-design



How local governments in Australia and New Zealand are involving the community in service design and delivery (i.e. co-design)

Service provision

Fundamentally, councils are service providers. Everything they do is geared towards designing and delivering services that improve outcomes for local communities. They exist to respond to the needs and preferences of local communities. It is these needs and preferences which most shape council's future direction.

From the outset it should be acknowledged that users of government services, in most instances, cannot take their custom elsewhere and neither can the service providers pick and choose who they serve.



Local Government practice

Local governments are known for learning from one another and adopting and adapting what works in one council area to another. Therefore, the practices of councils are keenly observed across the local government sector. This report should further encourage councils to highlight and share their innovations and examples in the area of service co-design.



Co-design

For the purpose of this Report, a co-design approach is understood as an attempt to actively involve end-users in a design process to help ensure the result meets their needs and is usable. In terms of local government service delivery, a co-design approach involves councils and citizens working together to design a service that is fit for purpose for that particular community.

The co-design approach moves local government from being simply a provider and the community from simply being a recipient, it helps councils and communities to work together on designing services with the most efficient use of resources for the most effective service impact for end users, as well as decide on trade-offs and priorities between services.

Today it might be obvious to involve users in the design of services, however it has taken public administration at all levels is regarding this approach as not only a good idea but essential to ensuring effective and responsive government service delivery.

Co-design thinking emphasises the end users and staff (consumers and service providers) coming together throughout the design process, in a **collaborative way, to develop creative outcomes that will benefit the end-user's lives.**

Co-design

Evolution of consultation

Co-design as an approach to service design is in early stages. It is an emerging practice for local government and communities working together to plan services. Much of what has been referred to by councils as co-design, co-creation and co-production is best described as citizen engagement and consultation. Co-design appears to be another step in the evolution of how the public administration – government service provider – relates, engages and consults with the citizen – user of government services.





Community development

The growing role of community development and service delivery has had significant impact on how councils relate to their communities. Considering councils traditionally provided property services, the development of their portfolio of human services is relatively recent. Whilst some councils found community relations a challenge, others across the sector adopted community engagement and consultation practices as their human services functions were embedded.



Service provision and reviews

We have seen councils taking steps to engage with service users to better understand their needs, wants, and aspirations. Various jurisdictions adopted local government legislation that prescribed development of regular consultation with community in relation to services the council provides.

Professional staff and communities are not seen as equal partners in service design and delivery. Co-design requires councils to **view community members as more than service users, and to understand and appreciate the community's skills set.**



Community plans

The onset of corporate management saw the introduction of strategic planning and development of long term community plans. Community plans were developed following extensive engagement and consultation with the community. Most jurisdictions now require their local governments to consult their community and develop long term plans.



Modes of co-production

Traditional self-organising community provision. Public servants may have indirect roles such as through providing advice, training, quality assurance and intervention as a last resort

Users and community members assume responsibility for delivering the services that have been gained by professionals

Users and community groups assume responsibility for undertaking the activities associated with the service, but call on professional service expertise when needed

Services are delivered by professionals but planning and design stages closely involve users and community members

Users and professionals fully share in the planning, designing and delivering of services



Performance and effectiveness

As governments moved to measure performance and effectiveness of council services we saw introduction of measures such as “customer satisfaction”: where users were regularly asked for their input and view on council services and how effective they’ve been. The example of Victoria’s annual Council Community Satisfaction Survey invites users to rate the:

- ▶ council’s overall performance
- ▶ community consultation and engagement
- ▶ advocacy – lobbying on behalf of the community
- ▶ decisions made in the interest of the community
- ▶ customer service
- ▶ condition of sealed local roads
- ▶ overall council direction.

“Any discussion of how the public sector reaches out to involve stakeholders and citizens to support its decision-making and delivery of services has to take into consideration the emergence of new technology, mainly through participative web and social media”

Roberta Ryan

Director of the Institute for Public Policy and Governance (UTS:IPPG) and the UTS Centre for Local Government (UTS:CLG) at the University of Technology Sydney.





Community engagement

Customers are being asked to rate and comment on their experience across a range of council services. Many councils came to the realisation users were commenting on their performance and directly influencing how they are seen by their political masters as well as the broader community. Some councils were of the view that it was important for them to connect and engage the users on a regular basis to establish a relationship and inform the community. This saw community engagement initiatives and outreach programs being rolled out by councils.



Digital services

Digitising government services is much more than building websites, loading existing forms and enabling their completion online. Digital services should not be limited by analogue processes. Digitising services is fundamentally designing a new service – a digital service on the back of digital processes.

Much of what has been referred to by councils as co-design, co-creation and co-production is best described as citizen engagement and consultation. Co-design is another step in the evolution of how the public administration – government service provider – relates, engages and consults with the citizen – user of government services.



E-government

Much of the digital effort during the e-government phase was dedicated to councils building websites and digitising forms – i.e. generally being true to existing systems and processes and loading forms online. Whilst some of these forms were writable PDFs most were not and required the user to painstakingly:

- ▶ download the form
- ▶ print the form
- ▶ complete the form
- ▶ scan the form
- ▶ return the form by email.

Context



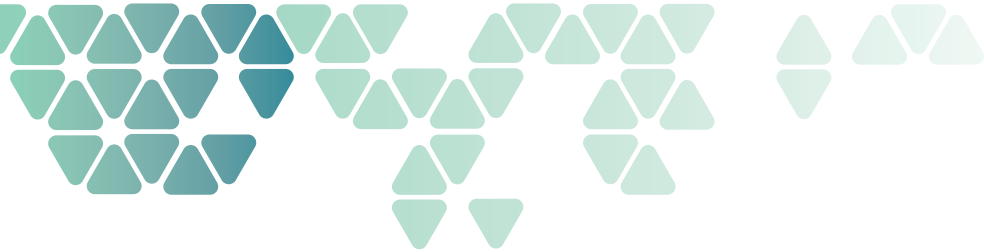
Global influences and digital trends

The digital revolution, as coined by Martha Lane Fox, UK's Digital Champion, started in the UK as a way of responding to the austerity measures introduced by the Cameron government in 2010.

Central government agencies and councils embarked on a range of digital initiatives to reorganise their back offices and improve their customer facing services to enable the shift to digital channels away from more expensive assisted channels. Much of this transformational change was driven by the Government Digital Service (GDS) –digital experts embedded in the public service with a technology start-up mindset.

It wasn't long after that, the White House pursued a similar strategy to disrupt the government's service delivery from within. With the establishment of 18F, its own version of the GDS. The Australian government also followed suit and established the DTO (Digital Transformation Office) to drive its own digital transformation agenda. It should be noted all these initiatives were designed to disrupt central governments, thereby leaving local government out on its own. Lack of coordination and resources has hampered the sector's digital progress.

Digital technologies can provide vital civic infrastructure that creates spaces for community members and government to connect in co-design. **Managing community expectations of co-design outcomes through digital technologies is a risk that needs to be dealt with.**



Local influences

The digital revolution is taking place at a time when local government across Australia is being challenged by amalgamations, shared services, rate capping and the infrastructure backlog. It's interesting to note that even in the states where these challenges are not prevalent they are still having an impact on local government.

While the amalgamations are only taking place in New South Wales the amalgamation discussions are widespread across the country and councils are looking for ways to become "fit for the future".

Shared services appear to have reached a tipping point, after being on local government's agenda for what seems like an eternity. Councils across the country are exploring opportunities with their neighbours to implement shared services as a way of delivering better services at a lower cost.

Rate capping, which Victoria introduced in 2016, has been a hot topic around the country, including New South Wales where it's been in operation since 1979. State governments are exploring rate capping as a way of limiting council revenues to ensure they are cutting costs and taking financial pressure off households.

The infrastructure backlog is significant and all levels of government are attempting to deal with it. The reality the public needs to come to terms with is that governments no longer have the funds needed to meet the national infrastructure backlog. Councils and other government agencies are looking for new ways to fund the development of their infrastructure.

Skills and capacity for community involvement, digital literacy, and value for money are key challenges for councils in implementing digital involvement and service delivery.



The democratic role and function of elected representatives in co-design needs to be clear. Digital involvement limits opportunities to build mutual understanding in conflict prone co-design.



Paying attention to user needs

Much of the early work done by the GDS and repeated by DTO and others was around paying attention to needs - user needs and not government needs. Their development process, guided by the digital service standard used different ways of involving users in research, co-design, and testing. The standard ensured every step in the design process reflected user needs.

The entire design process strived for simple and elegant solutions, which went a long way in meeting the needs of its citizens. Thereby avoiding complexity at all costs and avoiding reliance on assisted channels such as call centres and public counters (face-to-face).

User input

Users were identified as a rich source of practical intelligence on the problems being experienced and what needed to be fixed to make the solutions better.

Before not too long users were being involved in exploring the direction of solution design thereby providing feedback on what would work, how it would work and why.

Traditionally users may have been involved in the beginning where their needs and issues were captured and at the end when the solution was being tested. The all-important design process was left to the experts. Today there is a more level playing field, where the service users are also recognised as experts and play an equally important role in the design process.

Insights



Legacy systems websites and customer facing digital services

Much of what councils have today are internally facing legacy systems networked to meet the needs of organisations. Most of the legacy systems were only ever commissioned for internal focus and it was never envisaged for these systems to be externally facing and serving customers.

The all-pervasive Internet took hold and councils created websites, which mostly served as electronic brochures providing customer information. In more recent times councils moved to build websites that enabled users to transact mostly routine business with council.

Austerity measures and user expectations are driving councils to digitise their services. Councils have been building customer interfaces to sit over existing legacy systems to provide user friendly seamless digital services. Councils are taking this approach because the cost of replacing/upgrading legacy systems may be prohibitive. The customer interfaces interact with legacy systems and enable users to transact business with councils online.



Embracing users

For councils to emerge as organisations effectively meeting the needs of their users/digital citizens, they must unreservedly embrace their users and put them at the centre of all that they do.

For many councils and indeed government agencies this will require a significant shift in organisational mindset as well as cultural change.

Changes to service delivery will impact the users of that service. It makes complete sense that service providers would involve users in the change process. In the past that has been in the beginning where users' needs were explored and issues captured and at the end when the solution was tested. Today users are invited to apply their user experience and contribute to designing the solution.

Smaller scale services present greatest opportunity for proof of concept for co-design in local government



Existing digital technologies provide valuable information that can be mined and analysed for council and community benefit



Managing outcomes

There is a real fear among councils if users are given a blank sheet of paper they will “go off reservation” and come back with ideas that will not be feasible to consider and develop further. To that end council teams start to apply the “dark arts” of managing expectations, risk mitigation and managing the political process to ensure containment before the process even achieves an outcome.

Co-design – something that works

Co-design should be an informed and a guided process to ensure users generate ideas that will be a workable as well as feasible. Co-design is about going beyond the minimum required consultation. While for some it may be risky the ultimate reward is council gets something that users want to use because it works

Communities are using a range of universally popular digital tools. Councils need to get on board with these and go where the community connects online. **Digital engagement needs to be made more informal, just like having a beer with the Mayor.**

Maturity Model

The onset of corporate management saw the introduction of strategic planning and development of long term community plans. Community plans were developed following extensive engagement and consultation with the community. Most jurisdictions now require their local governments to consult their community and develop long term plans.

Within this representation, the services design evolves from intending to deliver products/services to clients (the traditional model), to moving towards designing for a purpose with customers (co-design). As this research suggests, this is an important consideration for local government when exploring transformative models of service design and delivery into the future.

	Reactive	Traditional	Transforming	Adoptive	Future proof Co-design
Citizen	Citizen driven investigation into service failures	Informal /limited engagement	Engaged with beyond formal consultations	Proactive engagement in order to self-serve	Fully engaged and empowered community
Council	Heavily fragmented operations	Majority of "one size fits all" services provided directly by council	Integration of practice across organisation and with other councils	Facilitate and engage with citizens to self-serve and design services	Devolution of decisions and resources to local communities
Methods		<ul style="list-style-type: none"> ▶ Service providers developing products/services designed for users 	<ul style="list-style-type: none"> ▶ Likely to involve a combination of interviews, focus groups, surveys and observations to get input into the system 		<ul style="list-style-type: none"> ▶ Service user is engaged as an expert/collaborator ▶ Users have influence over development/application of the service ▶ Ownership distributed ▶ Making – using new methodologies to create new services – often incorporating new technologies ▶ Ongoing iteration with those impacted by the service

Conclusions

Through the lens of co-design principles, this research captures a snapshot of how a sample of councils in Australia and New Zealand are currently engaging with and working with communities in the planning of services.

There is a growing willingness by public service organisations to involve citizens/residents in the delivery of services and local government is increasingly moving away from top-down approaches to incorporating users in design. This often takes place, and is enabled, through legislation and internal local government processes. Often citizens are positioned as having something to offer the process of design, but much work remains undertaken within council, and concerns remain about the need to set expectations about the feasibility of services offered.

Evident here is that context matters. Often the way the community, and the perception of their role influences how they are brought into the engagement in projects. Staff weigh up the possibility of engaging citizens in the design of services by considering whether their ability to influence decision-making; the potential risk of not involving the community; and the value of getting their buy-in for the future success of projects. Often tensions, conflicts and risks are negotiated as part of this between stakeholders, internally and with the community.

Digital tools, and their use as part of involvement remain limited in their use in this space. Whilst there is a willingness to engage using technologies there remains concerns about the possibilities of digital literacy of the council and community, as well as the possibilities for engaging all citizens, where digital divides remain apparent in many local areas.

As this research demonstrates, citizen involvement in service design has an intrinsic value for communities and local governments. Co-design is an emerging practice for local government as councils work to build community understanding of services and engage in new and different ways.

The perception of the value of citizen input is evolving and digital technologies are increasingly being seen as **vital civic infrastructure that can create spaces for community members and government to connect.**

Co-design

In practice

Horowhenua District Council (NZ): Reviewing land information service

Horowhenua is a progressive council located on New Zealand's North Island, 90kms north of Wellington. Council recently piloted an approach to review the way in which its Land Information Memorandum (LIM) report was delivered to stakeholders.

Council embarked on an exercise to engage their community prior to making decisions. Council's project team were set the task of asking the community members what they wanted, and started by drawing on "relevant areas of expertise" within the community. Council held workshops with key stakeholders, which included focus sessions with local Real Estate Agents, the 'older person network' and the 'younger person network' groups. These groups were impacted and/or used the report in different ways. The sessions were positioned as a "we need you to help us" approach to ensure council delivered to all the different needs within the community.

Council summated ideas and fed back the findings to the stakeholders prior to conducting further workshops to encourage more ideas. The common feedback from all groups was that the report was taking too long to generate. The digitalisation of the processes resulted in the **report being available in 6 hours, rather than 10 days!**



Benefits

- ▶ Significantly reduced costs in delivering the report as digitalisation of the LIM report is an extremely efficient service. Manual handing of processes were reduced, and the reports are now available to the public/community in 6 hours. It used to take up to 10 days to produce the report (10 days is the legislative requirement).
- ▶ Buy-in from community

Challenges

- ▶ Limited (but some) conflicts, which had to be managed internally
 - ▶ Overall, the project took longer to complete, but it delivered a better result for the community
-

About the Land Information Memorandum (LIM)

The LIM Report (Land Information Memorandum) includes information found in Council's records relating to the following matters:

- ▶ A summary of the rates account
- ▶ District Plan information including zoning and an indication of the status of intended use of the property
- ▶ Information identifying any special feature or characteristics of the land concerned
- ▶ Any natural or man-made hazards that may affect the property
- ▶ Building Consents/Permits and related information
- ▶ Other consents, licenses, certificates, requisitions, orders and notices affecting the land or any building on the land previously issued by council
- ▶ Swimming pool compliance
- ▶ Information on private and public stormwater and sewerage drains on the property as shown in Council's records
- ▶ Status of Road - Public, Private or Right of Way
- ▶ Type of water connection (if any) - metered, on demand or restricted and any conditions relating to this water connection/supply.
- ▶ Other information concerning the land that Council considers, at its discretion, to be relevant.

The LIM Report is an online tool that is ideal for those considering property purchasing in the Horowhenua District, as it helps purchases decide whether the land is worth purchasing, free from any restrictions, and whether the intended use of the land is feasible.

Start the conversation and get in touch with Civica

If you would like to know more about Civica or the Co-design report, please speak to your Civica Account Manager or contact us.



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