



Commission to Promote
Sustainable Child Welfare

Commission de promotion de la viabilité
des services de bien-être de l'enfance

Reducing Administrative Burden In Child Welfare

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Introduction

The Commission's vision is for a modern child welfare system that is designed around the needs of children, and maximizes the value to them of the resources invested. There are four prongs to the Commission's strategy, each one building on the other:

1. Reconfiguration of CAS structures,
2. A new funding approach,
3. A new way of holding CAS to account, and
4. Reducing administrative obstacles and streamlining processes.

The Child and Family Services Act outlines the functions of Children's Aid Societies in order to serve vulnerable children and their families. Any activity within a CAS that diverts the attention of staff from service to vulnerable children should be carefully examined to ensure that it is making a meaningful contribution to the overall child-focused purpose of the CAS. This is why the Commission has set "remove administrative obstacles and streamline processes" as one of the four strategic priorities through which a sustainable child welfare system for Ontario will be realized.

Over the three years of the Commission's mandate, administrative and service processes will be scrutinized to identify opportunities relating to this priority. Any changes must avoid compromising the accountability and risk management objectives inherent in many of the administrative and service processes that are currently in place. The constant question must be: can we achieve this objective more effectively with less process overhead than we have today?

This working paper sets the scene for the Commission's approach to this question by presenting the ideas that have shaped our thinking about administrative burden and what we propose should be done about it.

Section One outlines the growing body of requirements arising from legislation, regulation and directives in the child welfare sector. It also conveys some of the strong views and feelings held on this issue by people working in children's aid societies and other parts of the child welfare system across Ontario. The Commission believes that by reducing the time required to comply with administrative demands, far more time will be spent on direct services to children and families. Drawing on experience from elsewhere, freeing time of front line staff for more direct service work should be possible without undue risk or weakening of accountability.

To inform the Commission's approach to tackling the problem of administrative burden, **Section Two** examines initiatives introduced in Ontario, British Columbia, and the Canadian government, and considers their relevance to the administrative burden in child welfare. It then turns to international experience and draws lessons from more mature approaches promoted by the OECD's framework for Regulatory Reform. The United Kingdom has targeted bureaucracy in public services, and the tools are described that they have used to measure administrative inefficiency through a Standard Cost Model, to gain oversight and control of the problem across departments' "Gateways", and to publish targets in Simplification Plans. Norway's experience with similar initiatives focusing on public services is also highlighted.

Having reviewed this evidence, **Section Three** highlights the potential benefit for children and the quality of the services they receive by tackling the problem of administrative burden. It identifies some specific burdens that the Commission believes should be removed immediately. It also proposes more systematic actions for the Ministry, working with CASs, to develop mechanisms like the Gateway (to manage the flow and reduce the stock of administrative requirements), to implement the Standard Cost Methodology (to measure and reduce costs), and to improve the design of new regulations and communicate them more effectively. These proposals are described along with some options for their implementation.

Section One

1.1 The Case for Reducing Administrative Burden in Ontario Child Welfare

Administrative activities are both inevitable and desirable in the operation of any organization. There are requirements placed on organizations to demonstrate compliance with legislation and government policy, as well as others that they would need to undertake, even in the absence of government regulation. Examples include record-keeping, filing reports, carrying out inspections, cooperating with audits and various reviews, complaints and appeals, submitting funding requests, and making entries in a register. The purposes of administrative activities are typically some combination of general and necessary management activities, risk management and demonstrating appropriate stewardship of public resources.

It is not only the quantity of administrative requirements that generates the experience of ‘burden’ but their overall coherence.¹ Administrative requirements which cause irritation and frustration are those that are experienced as counter-productive or time wasting and do not support the primary mission of the service (i.e. promoting children’s wellbeing). It is when directives conflict with each other, are duplicative, poorly designed, require the same information in different formats for the same or different parts of government, or are disproportionate to any perceived benefit that the administrative burden is amplified. Because of the significance of this “coherence” or sense-making factor, relatively minor requirements that make no sense may be experienced as major burdens, whereas substantial requirements that are clearly mission critical may not.

Well-designed and effectively communicated administrative requirements are important, especially in child welfare, where there is a strong case for careful risk management and public accountability. Though the stakes are high in services to vulnerable children, other sectors with similar levels of risk to clients, such as healthcare, appear to have found less onerous mechanisms to manage risk. It is important to constantly ask whether the gain from the administrative activity is sufficient to offset the time away from serving vulnerable children and families. It is also important to ensure the leverage of the professional skills, competencies and disciplines of the social work profession and avoid making checklists replace the role played by professional judgment.

The increasing administrative burden arising from accountability between MCYS and the CASs was one of the most prominent themes from the Regional meetings that the Commission conducted in its tour of the province in early 2010. There is a widely held perspective amongst CASs that MCYS is placing an unrealistic and ineffective compliance and administrative burden on their agencies. In turn, MCYS staff told us that some CAS continue with processes that are no longer required or place more onerous interpretations on requirements than necessary. Whatever the origin, as CAS staff spend more time on administration, they are spending less time meeting the needs of children. As one CAS reported to the Commission,

Over the past 3 years there have been more than 30 new Directives and 200 changes to current standards have been introduced. Worker/client contact time continues to erode as more and more unreasonable expectations are introduced.

¹ OPSR, Cabinet Office (2003), unpublished survey, London, England.

Several CASs talked about the unprecedented number of experienced staff applying to transfer back to Intake positions from roles in children's services and family services. This was cited as evidence of the disproportionate amount of time now required for administration versus direct client service in the children's and ongoing family services areas.

In their Section 14 submissions, a number of CASs cited as significant cost drivers the additional regulations, Standards and Directives introduced between November 2006 and 2009. The list of new requirements included: 1) over 13 items related to Permanency, including substantial items related to licensing of foster care (such as requirements related to Food and Nutrition, Group and Foster Care, cultural competency, police record checks), family and community placement, permanency funding policy guidelines, 2) Alternative Dispute Resolution, 3) client complaints, 4) differential response, 5) the Ontario Child Protection standards consisting of 12 standards and 100 sub standards, 6) Transfer Protocol, 7) ongoing changes to the Funding Model, 8) Results Based Planning and Reporting, 9) Child Death Reporting and review, 10) Serious Occurrence Reporting, 11) Transfer payment accountability directive, 12) travel, meal and hospitality expenses, 13) Fleet Management and Road Transportation, 14) a complete revision of all financial policies, 15) amendments to Court Ordered assessments, and 16) new Aboriginal provisions to consult Band Councils.

A forthcoming article identifies two major problems with the move towards standardized processes covering assessment, service delivery, decision-making, and documentation.² The first is the lack of evidence to connect such standardized processes to improved outcomes for children. The second problem is that these numerous prescribed processes are time consuming; standards require time away from clients. "So one outcome that agencies have observed is that day after day, their parking lots are quite full and front line service staff spend an increasing amount of time in the office."³ This image of the cars in the parking lot, has struck Commissioner's imagination and strengthened its resolve to get some of those cars back out on the road.

While there are no reliable measures of staff time and costs associated with administrative activities in Ontario's CASs, it is estimated that only 15% to 30% of staff time is spent on direct service to clients. It is widely recognized that this represents a significant decrease in direct service activity in recent years due *in part*, to the accumulative effect over time, of regulatory requirements. A small scale study conducted in eastern Ontario, to which Lemay makes reference, indicated that direct service time stood at approximately 25% across 5 agencies.⁴ The large number of requirements and requests for information, reporting, recording of compliance, many tiered approval stages, audits and reviews, reduce the time available to frontline workers to focus on direct service delivery and increase staffing levels and costs.

The Commission is also concerned about the inconsistent interpretation and application of the requirements by the Ministry and the CASs across the province.

There are two sources of administrative burden: the introduction of new requirements and complying with existing ones. Managing the "flow" of new or changed requirements avoids adding undue burden

² Lemay, R (in press), "The perverse reliance on prescribed standardized processes as proxies for quality in Ontario Children's Aid Societies: Towards the establishment of direct service and outcomes standards", *Children and Youth Services Review*.

³ *Ibid.*, 3

⁴ *Ibid.*, 4

while reducing the “stock” already in place can be achieved by discontinuing some requirements and streamlining the processes associated with others.

In the course of the Commission’s meetings with CASs, several specific requirements were identified as both particularly burdensome and of low value. These are the items that the Commission made a priority in its work on reducing administrative burdens.

1.2and elsewhere

Ontario is not the only province where child welfare services point to an increase in requirements to comply with standards, seek approvals and report activities upwards, obtain accreditation from external bodies, and be subject to regular audit and review. The Commission’s review of other jurisdictions shows a consistent trend in the application of such requirements in the field of child welfare. With a more coherent system for delivering child welfare services, a different funding formula, and an accountability framework focused on performance measures and outcomes, the Commission believes there should be less reliance on high volume administrative transaction. Other working papers will address structure, funding and performance management, in some depth. The current paper addresses the lost effort and opportunity costs of excessive concern with process, compliance and checking. Simply, there are better ways to achieve effective services for children.

To inform its approach to tackling this problem, the Commission has examined the evidence internationally, in particular, initiatives undertaken with the impetus on Regulatory Reform.

1.3 Ontario: Open for Business (OFB) ⁵

In pursuing its concern with administrative burden in Ontario’s child welfare services, the Commission was informed about the cross-government “Open for Business” (OFB) initiative. Launched in the summer of 2008 by the Ministry of Economic Development and Trade, OFB reflects the government’s commitment to make the province more attractive to new business and foster increased competitiveness for existing businesses, while protecting the public interests. Priority areas are:

- *Modern Services*: enhance and streamline government-to-business services;
- *Modern Government*: transforming the way government develops policies and provides regulatory oversight;
- *A New Relationship with Business*: creating new, open and transparent relationships between government and business.

The OFB strategy has been extended to reduce the number of *requirements* (“burden”) across government. Rooted in legislation, requirements are defined as a compulsion, obligation, demand or prohibition placed on an individual or entity (e.g. “must”, “shall”, “will”). MCYS’ total requirement count is 17,670, of which child welfare accounts for over 9,500.

⁵Ministry of Children and Youth Services (2010). “Information Note for the Commission to Promote Sustainable Child Welfare: Confidential Advice.”

Requirements are found in: policy instruments – i.e. guidelines, manuals, policy directives (60% of total); regulations (20% of total); and directly in legislation (20% of total). Under OFB 25% (or 4,415) of all MCYS Requirements must be eliminated by March 31, 2011. To date, MCYS has eliminated 3% of requirements. Approximately 4,000 requirements remain to be eliminated by March 31, 2011.

In pursuing our strategy to reduce administrative burden in child welfare, the Commission will explore the potential of adopting the measures introduced through the Open for Business initiative, such as:

“Cap and Trade”

Introduced in Fall 2008, *Cap and Trade* rules address the flow and stock of regulations:

- For each new regulation, two regulations must be repealed immediately upon introduction of new regulation (*does not apply to Minister’s Regulations*);
- For each substantially amended regulation, one regulation must be repealed.

“Twice Annual Effective Dates”

Introduced in Summer 2009, the *Twice Annual Effective Dates* rule requires that all regulations affecting business come into effect on either January 1st or July 1st of a given year. For MCYS, this rule applies to regulations under the *Day Nurseries Act* (child care) and *Child and Family Services Act* (adoption and licensing of residential services).

“Regulatory Registry” – Mandatory Posting

Introduced in Fall 2009, all ministries are required to post proposed / draft regulations (new or amended / LGIC or Minister’s) that may affect business on the *Regulatory Registry* for a minimum of 45 calendar days. The Registry is a publicly accessed website (via ServiceOntario) that provides businesses with information about proposed government regulations while, more generally, serving as a vehicle for public / stakeholder consultation.

1.4 In summary

The problems arising from administrative burden are a major drain on the sustainability of child welfare services. Front line staff are spending less time with clients and more time “parked” at their desks, without as yet tangible evidence of better outcomes for children. The Commission recognises that this trend extends beyond Ontario and turned to find out how the problem is being tackled in the rest of Canada and internationally.

Section Two - Successful Experiences in other Jurisdictions

The problem of “red tape”, “bureaucracy”, “paperwork”, “time away from clients”, is approached in policy terms through the perspective of Regulatory Reform, similar to Ontario’s Open for Business Initiative described in the previous section. Section Two draws on Canadian and international experience in reducing administrative burden to find insights for tackling the problem in the child welfare system, described so passionately by child welfare workers.

2.1 Overview of International Initiatives on Regulatory Reform^{6,7}

It is useful to begin with an introduction to some common terms and tools. A recognised authority in this policy area, the OECD, states that the goal of regulatory reform is to improve national economies and enhance their ability to adapt to change. Better regulation and structural reforms are necessary complements to sound fiscal and macroeconomic policies. Continual and far-reaching social, economic and technological changes require governments to consider the cumulative and inter-related impacts of regulatory regimes, to ensure that their regulatory structures and processes are relevant and robust, transparent, accountable and forward-looking.

This view may seem a long way from the day-to-day problems of child welfare in Ontario, but the evidence demonstrates the seriousness with which this issue is viewed as a contributor to a nation’s economic competitiveness. There is a case for a similar concern to be brought to the productivity and effectiveness of the public service, and the quality of the regulatory framework in which it operates.

Most OECD countries have a minister accountable for promoting government-wide progress in regulatory reform. Many also have a regulatory oversight body, which the OECD suggests are most effective when they are at the centre of government administration, with a broad mandate to check new and existing regulations, while advocating for regulatory quality. **Tools** being used to enhance regulatory quality include:

1) Regulatory Impact Analysis (RIA)⁸

RIA is a decision tool used to support the policy-making process by examining and measuring the likely benefits, costs and effects of new or existing regulation. The use of RIA has expanded rapidly throughout the OECD in the last decade, and experienced countries are introducing additional elements such as risk assessments, evaluation of the impacts on competition and improvements to data collection methodologies.

2) National Administrative Simplification Strategies and Tools

National strategies for administrative simplification⁹ focus on two dimensions:

⁶ OECD (2009). “Policy Brief: Improving the Quality of Regulations.” <http://www.oecd.org/dataoecd/5/0/44124554.pdf>

⁷ OECD (2005) “OECD Guiding Principles for Regulatory Quality and Performance.” <http://www.oecd.org/dataoecd/24/6/34976533.pdf>

⁸ OECD (2007) “Building a Framework for Conducting Regulatory Impact Analysis (RIA): Tools for Policy-Makers.” <http://www.oecd.org/dataoecd/12/50/38706266.pdf>

⁹ OECD (2006) Cutting Red Tape: National Strategies for Administrative Simplification. <http://browse.oecdbookshop.org/oecd/pdfs/browseit/4206101E.PDF>

- *Ex ante* control of the burden introduced by new regulations (**flow** concept) – mainly applied through Regulatory Impact Assessment (RIA) processes
- Reform *ex post* of existing burdensome regulations (**stock** concept)

Appendix 1 sets out the OECD’s advice for overcoming some of the barriers that countries have encountered in implementing effective National Simplification Plans.

Most OECD countries have introduced or are testing some form of **quantitative measurement of administrative burden** to identify regulations that impose significant costs, and track progress in reducing burdens over time (but mainly in relation to businesses). The **Standard Cost Model (SCM)** is the prevailing tool used for measuring administrative burdens. This breaks down legislation into information obligations to measure the burden of single obligations. It allows governments to set numerical targets for burden reduction and to measure progress over time. This is a tool that Ontario may wish to adopt to measure and monitor the benefits gained from an effective strategy or reducing administrative burden in child welfare. It is described in more detail in Appendix 3.

Administrative burden reduction has been strongly linked to the development of E-Government, and the introduction of **modern IT systems** to child welfare has the potential to streamline processes and transactional costs. Measures such as bringing services to users in seamless integrated manner, multi-channel service delivery: integrating electronic services with call centres, mail, over-the-counter services etc, and consolidating common business processes: e.g. payroll, human resources, accounting and archiving.

Data sharing and standardisation is a tool that saves front line staff time by requiring the same information to be submitted only once. This is an issue for CAS, who report information in various formats to different levels and divisions of government. Examples of data sharing processes include:

- **Portals:** government agencies collaborate on front-end collection of data, through shared forms or a portal interface for a common set of services;
- **Public sector data sharing:** agencies share specific data, open their databases to each other as needed or share a common database.

Process re-engineering has also been employed to streamline the information transactions required by Government – to optimise them, reduce their number and reduce the burden of each through redesign, elimination of steps and application of technology. These have predominantly been applied to businesses – for example licensing processes at national and sub-national level. There may be some scope for applying this technique in CASs internally and in their relationships with government.

2.2 Canadian Federal Regulation and Administrative Simplification

In Canada, regulatory policy is set out in the Cabinet Directive on Streamlining Regulation (CDSR). It is resourced by the Regulatory Affairs Sector which advises Treasury Board Ministers on Governor in Council (GIC) submissions and brokers issues requiring interdepartmental co-ordination. The sector also includes the **Centre of Regulatory Expertise (CORE)**, which assists departments in building their internal capacity to comply with the Directive, particularly in the areas of **cost-benefit analysis, risk assessment and performance measurement and evaluation**.

On the recommendation of a working group of government officials and small business representatives, the **Paperwork Burden Reduction Initiative** was launched in February 2005 to measure the impact of regulatory compliance on businesses and make measurable reductions in paperwork burden. The PBRI involves measuring the costs and impact of regulatory compliance on small business and pursuing opportunities to reduce, rationalize and simplify regulatory requirements across federal departments and agencies.

These federal strategies provide the national context for a number of provincial programs of regulatory reform, such as Ontario's Open for Business, described in section one, and British Columbia

2.3 British Columbia: Successful Practices - Regulatory Reform

2.3.1. BC's Strategy for Regulatory Reform

British Columbia is identified as a successful case study in the OECD's review of best practices amongst member states.¹⁰ BC's Minister of Deregulation's first challenge was to develop a regulatory policy and measurement tool to demonstrate the government's progress on delivering its commitment to reduce red-tape by one-third. "**Regulatory requirements**" coming from legislation, regulation and policy became the accounting tool; a requirement is defined as "a compulsion, obligation, demand or prohibition placed by legislation or regulation on an individual, entity or activity".

Each ministry conducted its own count of all the regulatory requirements contained in statutes, regulations and policy and a central regulatory requirement count database, administered by the newly created Deregulation Office, was established for baseline and reporting purposes. The first government wide count revealed 382,139 regulatory requirements at the provincial level in BC.

A Regulatory Reform Policy was established including regulatory reform criteria by which all legislation, regulation and policy would be evaluated according to a **Regulatory Criteria Checklist**. The regulatory criteria checklist covers categories such as: (1) Reverse Onus (2) Cost-Benefit Analysis (3) Competitive Analysis (4) Streamlined Design (5) Replacement Principle (6) Results-Based Design (7) Transparent Development (8) Time and Cost of Compliance (9) Plain Language (10) Simple Communications (11) Sunset Review/Expiry Principle. The **Regulatory Reform Policy** also requires that two regulatory requirements be eliminated for every new one introduced.

¹⁰ OECD (2009). "Successful Practices to Promote Regulatory Reform and Entrepreneurship: Case Study of British Columbia." <http://www.oecd.org/dataoecd/16/42/44981275.pdf>

Although the BC regulatory requirement metric has its flaws, having a measure provides accountability, transparency, and a base for discussion of progress. Regulatory reform in BC has been successful at achieving its stated objectives. The number of regulatory requirements eliminated at the end of three years was 37%, exceeding the one-third target. By mid-2009, regulatory requirements were reported as having been reduced by around 43%. Appendix 2 describes the BC strategy in more detail.

2.3.2 Simplification in BC's Public Sector

The main feature in BC's program to simplify regulation was the initial commitment to reduce regulation by one-third in three years (2001-2004) and the subsequent commitment to no-net increase in regulation that now extends through to 2012. The simplification programme has now been applied to the public sector.

For example, an initial analysis by the **Ministry of Education** revealed over 75 requirements that they were requiring of schools. A SharePoint website was created to collect all reporting requirements into a single place, order them by date and link each to relevant information. The team eliminated 10 to 15 per cent of requirements and reduced the timing load of the remaining ones. Instead of reporting every year on a particular contract, for example, a school board might now report every five years. To ensure that only essential requirements would ever be added to the list, the Ministry's streamlining team developed seven screening criteria. Any proposed new reporting must support student achievement, be necessary for accountability, ask for information only once, and be sensitive to the busy times in the school year. A whistleblower function on the website enabled school boards to challenge any new requests for information that did not meet the screening criteria.¹¹

Flexibility to Address Labour Shortages in Child Care: child care licensing regulations have also been reviewed in N.C. and have resulted in a modernized regulatory framework that maintains the health and safety of children in care while providing achievable standards for Family Child Care Licensees. Key changes include the creation of a one-year licence to practice for graduates of approved Early Childhood Education training programs, new categories of care to address the shortage of age appropriate care providers, clearer operating standards and outcome-based requirements for furnishings and enclosures. The benefits include increased flexibility for child care operators and more child care spaces with the appropriate level of care¹².

Criminal Record Checks: an online criminal check process has been developed to allow employers to manage the criminal record check process electronically and get results back in 1 to 2 days. With the paper-based process, clients faxed or mailed applications, consent forms and payment, taking 1 to 2 weeks to receive results.¹³

These examples from British Columbia suggest promising avenues for improving efficiency and effectiveness, while safeguarding public safety and service quality, and therefore of interest to the problem of administrative burden identified by the Ontario child welfare service.

¹¹ Straightforward BC (Winter 2009) "Progress Report." <http://www.tted.gov.bc.ca/sfbc/Progress/Pages/QuarterlyReports.aspx>

¹² Straightforward BC (December 2007) "Regulatory Reform Quarterly Progress Report."

¹³ Straightforward BC (May 2007) "Regulatory Reform Quarterly Progress Report."

2. 4 International Examples - Reducing the Administrative Burden in the United Kingdom

The UK's initiatives regarding better regulation are held up as best practice by the OECD. The 2005 *Hampton Review* moved the UK towards a risk-based approach to enforcement. Training for the application of Better Regulation tools and processes is well developed, online, through the support of specialists, and as part of general training programmes for civil servants, which tackle issues such as impact assessment and consultation. A highly structured performance measurement system is in place, covering the main dimensions of Better Regulation.¹⁴

Administrative burdens are defined in the UK as “requirements placed on organisations to demonstrate they are complying with regulations. Examples include keeping records, carrying out inspections, completing returns and reports, cooperating with audits, applications for subsidies and grants, applications for permission, exemption or authorisation, framing complaints and appeals, or entries in a register.”

2.4.1 “Cutting Bureaucracy for our Public Services”

This public sector strategy was introduced in 2007. Its key aims were:

- 30% net reduction of requests for data from front line workers by May 2010;
- Reducing unnecessary bureaucracy in areas the front line cares most about;
- Better engagement with front line workers to identify and remove bureaucracy; and
- Better regulation that is understood and mirrored through the public service delivery chain.

Departments publish annual **Simplification Plans** stating how these costs would be reduced, and how the main regulatory irritants (key concerns of frontline workers, not necessarily the requirements that are most costly or difficult to comply with) would be addressed. From 2007 onwards these Simplification Plans also set out proposals to make policy cost savings and reductions in public sector burdens (as well as for the private and third sectors). They describe the measures being put in place by Departments to engage the frontline, identify the priority burdens and the plans to deal with them, and set out details of the data streams identified by Departments and the targets for reduction.

The principal measurement tool that has been used across Government Departments to track their efforts to reduce the administrative burden is the **international standard cost model**.¹⁵ This was initially applied to the private sector and third sector, but has increasingly been used to account for changes in public sector burdens. This is described in more detail in Appendix 3, but in summary calculates the administrative burdens baseline in two stages:

- 1) The initial measurement of administrative costs; and
- 2) Calculating from the initial measurement the administrative burden by applying a business as usual adjustment.

¹⁴ OECD (2009). “Better Regulation in Europe: Executive Summaries” <http://www.oecd.org/dataoecd/49/6/45079126.pdf>

¹⁵ The description of this approach was taken from the Government’s description of its work with the private sector and the third sector, but has since been applied to public services. The description has been edited to reflect this. Better Regulation Executive “Making Your Life Simpler.”

In its 2007 Simplification Plans, each Department identified all of **the data streams** it requires public sector organisations to provide, either to the Department or to a third party, and set targets for reducing the number of information requests made by Government. It was the first time government gained a complete picture of the number of times it asks the front-line to provide information, and of what it is asking for. Better coordination, consolidation, data sharing between Departments and removal of data requirements was the objective.

2.4.2 Departmental Gateway or “Insight” Groups in the UK

Gateway mechanisms have been established by central Government Departments to tackle the large number of frontline requirements and requests for information, plans, targets, performance measurement and inspections. These administrative activities were found to be impeding the time available to frontline workers to focus on service delivery and increased staff costs because of the people hours required to complete administrative tasks. The problems these Gateways were set up to address sound very similar to those being experienced in Ontario’s child welfare system and therefore are of particular interest to the Commission.

“Insight” or “gateway” groups were established to address public sector burdens, both the stock of existing regulation, and offered advice on how to minimise the flow of new regulation. They have been composed of front-line staff and civil servants, sometimes service specific and other times cross-cutting groups. Regardless of the focus, each front-line sector had to have a clear voice at the heart of policy making, Departments had to tackle both the stock and flow of burdens, and give a high level assessment of the effects of flow on the overall departmental burden. The operation of Gateways in two departments (the Department for Children, Families and Schools, and the Dept of Health) are described in Appendix 4.

Departmental efforts have together formed a single identifiable insight framework across government, described in simplification plans, with an overview by the Better Regulation Executive.

Departments were also asked to give the front-line more scope to manage change by:

- Sharing their forward plans for new requirements for the year ahead;
- Providing extended notice of changes to operational delivery frameworks; and
- Working with the front-line on proposals for simplification.

The Better Regulation Executive’s Summary of 2009 Simplification Plans reported that a range of Government Departments now have public sector stakeholder forums in which front line workers scrutinise the need for information requests from central Government as well as overseeing the reduction in stock of requests. Every public sector worker had the opportunity to suggest ideas for reducing burdens, including those on the public sector, through the www.betterregulation.gov.uk website. There is a commitment to respond to ideas or suggestions within 90 days, outlining whether they have been taken forward and explaining why a particular decision has been made.

Stakeholder Forums of this kind would provide a direct feedback mechanism and “reality check” between the CAS front line, which the Commission believes would be helpful in aligning perceptions and generating mutually acceptable solutions to ineffective and burdensome requirements and processes.

The UK gateway mechanisms have demonstrated that they can achieve measurable reductions in administrative burdens, given the appropriate high level leadership and support.

2.4.3 The Quality Assurance Process in the UK

Quality assurance processes were designed to support Government in the delivery of the Administrative Burden Reductions Programme. This has been achieved by taking a view on whether departments reported administrative burden savings have been subject to adequate external scrutiny. Being submitted to external scrutiny also encourages departments to provide more evidence to demonstrate the effects of their reductions and to ensure that those affected by them will know what has changed.

The National Audit Office reviews and reports on Government's progress on the better regulation agenda and has focused attention, raised the priority and emphasised the value of the work of those responsible for better regulation. They have conducted two reviews of the programme and whilst in both cases reported that Departments are making good progress, they noted that the real test of this work is that businesses and other organisations notice a difference.

The Better Regulation Executive has also established an External Validation Panel, which plays a challenge and quality assurance role, testing the assumptions and processes underpinning the reporting and verification of the top simplification measures delivered each year.

2.4.4 Evidence of progress in addressing the administrative burden

The annually updated Departmental Simplification Plans report on progress against targets. The Better Regulation Executive's summary of the 2009 plans reported that there had been real progress on reducing the number of information requests and on reducing the burden of information requests from central Government. The bulk of delivery was achieved in relation to the aim of 30% reduction in number of requests for information. In 2007, eleven Government Departments identified and published figures on information being requested from the public sector frontline. By 2009 nine Government Departments were reducing the number of information requests, with an overall reduction of 30.8%.

2.5 Regulatory Reform in Norway¹⁶

Norway was also recognised as an early leader in regulatory reform. Past reforms bear witness to Norway's ability to adapt to changing global and national conditions, while at the same time maintaining distinct policy-priorities related to the scope and size of the public sector. Very important elements of a sound regulatory policy are in place with more than twenty years experience to review and simplify existing regulations which have resulted in a well-consolidated, easy accessible and readable stock of national laws and regulations in force. Well-functioning systems are also in place in terms of forward-planning, co-ordination, consultation and communication of regulations. Norway's capacity to measure and monitor administrative burdens imposed on businesses is also consistent with OECD best practice. Furthermore, Norway has a longstanding tradition in the use of regulatory alternatives with regulatory innovation and tradition present in many forms. Moreover, Norway has carried through ex-post evaluations of the use of selected regulatory tools (consultations and alternatives).

The aim of Norway's Program to **Modernize the Public Sector** to make the public sector more user-oriented, efficient and simple, primarily by means of delegating within the state and by decentralising to the level of government closest to the user. The main goals are:

- A less complex public sector;
- Public services adapted to individual needs;
- An efficient public sector;
- A public sector that promotes productivity and efficiency;
- An inclusive and motivating human resource policy.

Several regulatory policy commitments are integrated in the Programme and its sub-projects which are described in Appendix 5.

Evidence of Reform in Norway¹⁷

In 2009 OECD reported on Norway's progress, using its 2005 and 2008 surveys of Indicators of Systems of Regulatory Management, which examined the extent of governance practices designed to improve the quality of regulation in OECD countries. Among the most important practices are: the use of regulatory impact analysis (RIA) to assess the cost and benefits of new regulation and the institutional oversight of the quality of regulations, and; the design of programs to reduce the costs of administrative activities on business and citizens.

In Norway, an assessment of the impact of new regulations on the budget, small businesses, regions, the public sector and gender is always required for new regulations, though this assessment is not always required to be quantitative. Norway has measured the time that business employees are required to spend on reporting obligations, and estimates that administrative burdens have been reduced by 1199 full-time equivalent employees since 1997. Three-quarters of the reduction occurred between 2005 and 2007, mostly through the introduction of electronic reporting and a dedicated Internet portal for businesses.

¹⁶ OECD (2003). "Regulatory Reform in Norway." <http://www.oecd.org/dataoecd/26/63/2955875.pdf>

¹⁷ OECD (2009). "Government at a Glance 2009, Country Note: Norway."

Section 3

Realizing the Potential in Ontario Child Welfare

3.1 Potential Benefits of Reduced Burden in Ontario Child welfare

In the United Kingdom, decreases of 30% or more have been realized in the number of information requests generated by nine different government departments and there have been savings of 25% in administrative costs. Benefits in other jurisdictions are also evident.

In Ontario's Child Welfare Sector, given the lack of data on what the actual allocation of time by workers is between direct service and other activities, a conservative target might be to reduce administrative burden by only 10% in the next 12-18 months. This would yield 1.0 to 1.3 million hours of staff time annually, (approximate dollar value of \$40,000,000) reversing the upward pressure on staffing levels and redirecting activities to direct service with children and families.

A more aggressive target of 20% reduction in time spent on administrative and other non-direct client activities (over 2 million person hours) could, under certain conditions, be achieved over a further period of years. Achieving that target would increase the proportion of time spent on direct service to the 35% to 50% range while reducing cost pressures by over \$80,000,000.

3.2 The Commission's Activities in the Short Term

The Commission has already begun work to avoid or reduce certain non-value-added requirements and simplify others:

- The Ministry, after discussion with the Commission has deferred the implementation of a new process for case file reviews (Integrated File Reviews) that would have had significant implications for administrative burden.
- Modernizing the processes for tracking high risk protection cases will eliminate duplication of activities, enhance service and reduce administrative activities by 20,000 person hours across the system.
- Streamlining and simplifying the reporting of Serious Occurrences in Child Welfare cases will have the effect of reducing burden by a further 10,000 person hours.
- Other short-term, readily-implemented changes have been identified in collaboration with the Ministry:
 - Co-ordinating the Crown Ward file review with the licensing file review to have them completed together as one process and providing feedback to CASs at the same time for both reviews
 - Implementing a risk-based approach to licensing, replacing annual licensing reviews.
 - Streamlining ad hoc requests by the ministry
 - Removing data elements that are no longer used from the Budget Package.
- More substantial opportunities for reducing burden have also been identified on a preliminary basis, including reducing the number of Standards in the Child Protection Standards and in the Foster Care Licensing Standards and reducing the mandatory requirements set out in the Children in Care Manual.

3.3 Proposals for Achieving Sustainable and Systemic change

3.3.1 The Scope of the Strategy

The experience from other jurisdictions illustrates the potentially broad scope of a strategy to reduce administrative burden. The Commission believes that there is a strong case for developing a robust approach, especially at a time of fiscal constraint when tolerance of new policy initiatives may be low but the need for change high.

But government faces a range of options for approaching this challenge. At one end of the continuum, a full scale campaign against regulatory burden would encompass the private, public and voluntary sectors. It would require analysis to assess and measure the burden, take time to gauge ministerial interest, establish dedicated units (independent and/or within government) to direct and report progress, set reduction targets requiring simplification plans from each department, departmental and cross-government Gateways and adoption of the Standard Cost methodology.

At the other end of the continuum, a first step would take a single department or program, with responsibility for analysis and reporting assigned to relevant divisions or project teams alongside existing responsibilities, strengthened with some consultancy support. An analysis of the baseline burden would be required; then methods adopted for setting and monitoring targets, and mechanisms established such as a Gateway and possibly, a Simplification Plan.

Given the Commission’s remit, and the urgency to make rapid progress, our recommendation is to proceed with an ambitious focus on making a positive impact on reducing the burden in child welfare in order to improve direct services to children and families with the shortest possible delay.

3.3.1 Optimising the “Open for Business” initiative

MCYS is already involved in an administrative burden reduction exercise, initiated by Open for Business (OFB), and has counted and started to reduce its requirements. The focus of this exercise has been between government departments and the business community; however there is an opportunity for approaches to be extended to relationships with all internal and external service providers. The initiative encompasses:

- Burden reduction;
- Priority initiatives to improve government-to-business interactions (e.g. improving service delivery, increasing efficiencies, streamlining processes, etc.);
- Cap and Trade – two regulations to be repealed for each new regulation and one regulation to be removed for each one substantially amended;
- Twice annual effective dates for new regulations for business;
- Mandatory posting on a regulatory registry.

The Commission will work with MCYS, and where appropriate the broader public service, to ensure that child welfare contributes to and benefits from the opportunities afforded by the Open for Business initiative.

3.3.2 Establishing a “Gateway”

The purpose of the Gateway is to not only reduce the existing administrative burdens (referred to as the “stock”) but also to set in place some enduring systems and attitudes that reduce the number and increase the coherence of new requirements (the “flow”).

The Commission will recommend that MCYS establish a Gateway, shortly following the publication of this Working Paper, with terms of reference which include:

- the full range of activity covered in the definition provided for administrative burdens, specified to signify known MCYS (corporate and regional) requirements placed on the CASs (and broader services, wherever appropriate);
- provisions for channeling requirements placed on child welfare from other government departments to the MCYS Child Welfare Gateway;
- a commitment to reducing the burden – either by 25 % from baseline (if that analysis is available), and/or to x from y frequency and breadth of reports;
- streamlining data requests through a single channel;
- clear rules to guide the Gateway’s operations - about the volume, frequency and quality of directives and other requirements;
- scrutiny of ad hoc directives and requests for information from MCYS (regions and/or corporate) to individual or groups of CAS.

The Gateway will have between 10 and 15 members – 50% from CAS, 50% from MCYS corporate and regions. It should be chaired by the DM and act with the authority and support of the Minister.

There will be an agreed communications plan to accompany the Gateway, directed to all the key stakeholders in the child welfare system.

The first two meetings of the Gateway will elaborate the Gateway’s initial terms of reference, based on a better “insight” of the landscape of administrative transactions across functions and tiers of the child welfare (or broader) system, made possible by the results of investigations and the contributions of the cross-section of Gateway members.

The Commission will work with MCYS to set up the Gateway (recruiting stakeholders, ensuring the right scope and visibility of the approach), and offer advice to identifying the skills and capacity required in MCYS to manage the Strategy as a whole, including the Gateway.

3.3.3 Adopting the International Standard Cost Model

Baseline measurements should be made, with reduction targets, which can be monitored over time. The Standard Cost Model is the best developed and most widely applied measurement tool. In the UK, adjusting for business as usual has proved helpful to differentiate administrative requirements, which are central and helpful to service provision, from those that are perceived as superfluous to achieving service outcomes.

The Commission recommends that the Standard Cost Model be adopted by MCYS to establish a baseline and set targets for reducing the administrative burden in child welfare. This project could be overseen by the Gateway Group, and completed 3 months following its establishment.

3.3.4 Aligning the Child Welfare Landscape

The experience of administrative burden is inevitably shaped by one’s position in the hierarchy between the top of the MCYS, Regional offices, CAS leadership, and front line staff. For the strategy of reducing burden to be effective, people at each level need to feel that the burden is lessening and for that to happen they need to develop a common understanding of the purpose of requirements and the impact of their execution “on the ground”.

No one underestimates the challenge that such realignment requires. Nevertheless, an essential first step is establishing mechanisms for direct and regular feedback to flow routinely up and down and up this hierarchy. Examples of successful strategies point to the importance of front line staff and central department officials being directly involved in regular “reality checks”. Both must be expected to challenge requirements “from above” and practices “from below” that conflict with shared commitments to streamline processes and reduce unnecessary administration.

The Commission recommends that “virtual” networks of front line staff be developed to share their experiences of actions taken to reduce administrative burdens. If possible, networks should also be established for children in care, foster parents and group care providers. Communication will be required that speaks to the intended impact on better services for children, and front line staff.

3.3.5 Check back in one year’s time.

Improving both the reality and perception of administrative burden will take time, and for this reason the Commission will review and report the progress that has been made in one year’s time. Progress will be reported on the best data available; ideally working from the baselines established by the Standard Cost Model as well as a survey of staff at each tier of the child welfare “hierarchy”.

END

Appendices

Appendix 1	Overcoming barriers to administrative simplification strategies: Advice from the OECD
Appendix 2	British Columbia: Successful Practices - Regulatory Reform
Appendix 3	The International Standard Cost Model Methodology (SCM)
Appendix 4	UK Departmental Gateways: The Department for Children Schools and Families (DCSF) The Department of Health
Appendix 5	Norway’s program to Modernise the Public Sector

Appendix 1

Overcoming barriers to administrative simplification strategies: Advice from the OECD

OECD recommends the following approaches to overcome barriers to administrative simplification strategies

Strategic and policy approaches

- Establish a comprehensive programme on administrative simplification and maintain broad policy priorities.
- Take a “whole-of-government” approach.
- Ensure powerful (political) support.
- Define clear objectives-targets and make institutions accountable for them.
- Use success stories: start small and gain constituency.
- Implement a user-focus approach.
- Avoid a “one size fits all” model.
- Promote a reform attitude and innovative approaches.

Capacity-building support

- Ensure a multidisciplinary approach to administrative simplification.
- Provide guidelines and technical assistance to support policy making in a simplification context.
- Training, training and training.
- Reduce the digital divide.

Institutional design

- Consider the set up of a watchdog at the core of government.
- Find a balance between centralisation and reform efforts ownership.
- Promote the work of ambassadors and champions for the simplification programme.

Supporting tools

- Use better regulation (regulatory quality improvement).
- Quantify costs and benefits, both ex ante and ex post.
- Prioritise based on evidence.
- Promote transparency through communication.
- Encourage public consultation in policy making.
- Develop data collection strategies.
- Develop indicators on government performance: benchmarking and awarding.

Appendix 2

British Columbia: Successful Practices - Regulatory Reform

British Columbia is identified as successful case study in the OECD's review of best practices amongst member states. ¹⁸ B.C.'s Minister of Deregulation's first challenge was to develop a regulatory policy and measurement tool to demonstrate the government's progress on delivering its commitment to reduce red-tape by one-third. "Regulatory requirements" coming from legislation, regulation and policy became the accounting tool; a requirement is defined as "a compulsion, obligation, demand or prohibition placed by legislation or regulation on an individual, entity or activity".

Each ministry conducted its own count of all the regulatory requirements contained in statutes, regulations and policy and a central regulatory requirement count database, administered by the newly created Deregulation Office, was established for baseline and reporting purposes. The first government wide count revealed 382,139 regulatory requirements at the provincial level in BC.

A **Regulatory Reform Policy** was established including regulatory reform criteria by which all legislation, regulation and policy would be evaluated according to a Regulatory Criteria Checklist. The regulatory criteria checklist covers categories such as: (1) Reverse Onus (2) Cost-Benefit Analysis (3) Competitive Analysis (4) Streamlined Design (5) Replacement Principle (6) Results-Based Design (7) Transparent Development (8) Time and Cost of Compliance (9) Plain Language (10) Simple Communications (11) Sunset Review/Expiry Principle.

Although the regulatory requirement metric has its flaws, having a measure provides accountability, transparency, and a base for discussion of progress. Regulatory reform in BC has been successful at achieving its stated objectives. The number of regulatory requirements eliminated at the end of three years was 37%, exceeding the one-third target. By mid-2009, regulatory requirements were reported as having been reduced by around 43%.

The **Regulatory Reform Office**, which is currently part of the Ministry of Small Business, Technology, and Economic Development, is the office responsible for implementing and sustaining regulatory improvement in BC. The office currently has six full time staff assigned to the initiative. The core responsibilities of the Regulatory Reform Office include developing and executing the government's regulatory reform strategy, maintaining the central database of regulatory counts, and producing reports for Cabinet and quarterly reports for the public.

When the current reforms were introduced in British Columbia, each ministry was required to appoint a manager and director to oversee the reforms for the ministry. Regulatory reform has not been expensive to finance. The reform department started with a small staff (5) and modest budget (CAD 500 000) and relies on the cooperation of other ministries and departments. The measurement and reporting, which are critical elements of the reform policy, are quite simple and even the initial counts were done in a matter of few months with the help of interns.

¹⁸ OECD (2009). "Successful Practices to Promote Regulatory Reform and Entrepreneurship: Case Study of British Columbia." <http://www.oecd.org/dataoecd/16/42/44981275.pdf>

There are limited initiatives between the federal, provincial and local governments to coordinate and reduce the complexity of the regulatory environment. One group that shares ideas and principles between the federal and provincial governments is the Federal-Provincial-Territorial Committee on Regulatory Governance and Reform (FPT CRGR). The FPT CRGR brings together a network of regulatory experts from across provincial boundaries and works to develop best practices on regulatory policy, building support for common approaches to regulatory development and overall management in Canada.

Simplification Programmes

The main feature in BC's program to simplify regulation was the initial commitment to reduce regulation by one-third in three years (2001-2004) and the subsequent commitments to no-net increase in regulation that now extends through to 2012. In order to achieve a one-third reduction in regulation, the new government started an intensive campaign to consult with industry regarding what regulations to simplify and eliminate after taking office in 2001. The Red Tape Task Force, largely made up of industry representatives, was established. Each minister was asked to prepare three year deregulation plans outlining how targets would be met.

To ensure a net reduction in regulation, the initial Regulatory Reform Policy required that two regulatory requirements be eliminated for every new one introduced.

Evidence of Impact

Simplifying regulation in BC continues to be a priority and is being taken forward under the initiative name "Straightforward BC," which sits within the Ministry of Small Business, Technology and Economic Development. They have reported a reduction of regulatory requirements across BC by 42% from 360,118 in 2001 to 207,630 in 2010. They have an ongoing commitment to maintain this lower level of requirements.¹⁹

The simplification programme has been applied to the public sector:

Ministry of Education: oversees 2,000 schools, 60 public school boards, 350 independent school authorities and about 600,000 students across the province. As part of its mandate, it allocates over \$5 billion a year, and in return, it requires financial statements, student information and other reports from the school boards that receive funding. These reports require a lot of time and energy. An initial analysis revealed 75 requirements they were asking schools to do. A SharePoint website was created that collected all reporting requirements into a single place, ordered them by date and linked each to relevant information. The team eliminated 10 to 15 per cent of requirements and reduced the timing load of the remaining ones. Instead of reporting every year on a particular contract, for example, a school board might now report every five years. To ensure that only essential requirements would ever be added to the list, the Ministry's streamlining team developed seven screening criteria. Any proposed new reporting must:

- Support student achievement.

¹⁹Straightforward BC (2010). <http://www.tted.gov.bc.ca/sfbc/Pages/default.aspx>

- Be necessary for accountability.
- Ask for information only once.
- Customize to the recipient when possible.
- Request only changing data.
- Be sensitive to the busy times in the school year.
- Take advantage of shared information technology.

A whistleblower function on the website enabled school boards to challenge any new requests for information that did not meet the screening criteria. A viral campaign promoted the website, using an animated superhero. Response to the initiative has been very positive.²⁰

Flexibility to Address Labour Shortages in Child Care: child care licensing regulations have been reviewed. The result is a modernized regulatory framework that maintains the health and safety of children in care while providing achievable standards for Family Child Care Licensees. Key changes include the creation of a one-year licence to practice for graduates of approved Early Childhood Education training programs, new categories of care to address the shortage of age appropriate care providers, clearer operating standards and outcome-based requirements for furnishings and enclosures. The benefits include increased flexibility for child care operators and more child care spaces with the appropriate level of care.²¹

Criminal Record Checks: an online criminal check process has been developed to allow employers to manage the criminal record check process electronically and get results back in 1 to 2 days. With the paper-based process, clients faxed or mailed applications, consent forms and payment, taking 1 to 2 weeks to receive results.²²

Residential Tenancy Branch (RTB) provides information and a spectrum of dispute resolution services to landlords and tenants in British Columbia. At one end of the spectrum, basic information on the regulatory framework is provided, often through web-based or printed information. In the middle of the spectrum are situations where a landlord or tenant seeks help in understanding how legislation affects the specific circumstances of his or her problem or dispute; this assistance is provided by information officers. At the other end is formal dispute resolution, where a dispute resolution officer reviews evidence at a hearing. From 2006 to 2008 the number of phone and in-person inquiries grew from 170,000 requests to 330,000. This surge in volume, along with process inefficiencies and a few technical issues, resulted in unacceptable delays. A Continuous Improvement design team composed of RTB staff and their front-line representatives at Service BC examined current business practices and used business process mapping and operational expertise to redesign the ways RTB handles its internal business. The turnaround time from submission of an Application for Dispute Resolution to the time the paperwork

²⁰ Straightforward BC (Winter 2009) "Progress Report."

http://www.tted.gov.bc.ca/sfbc/Progress/Documents/Fall_Winter%202009%20newsletter%20-web%20ready.pdf

²¹ Straightforward BC (December 2007) "Regulatory Reform Quarterly Progress Report."

<http://www.tted.gov.bc.ca/sfbc/Progress/Pages/QuarterlyReports.aspx>

²² Straightforward BC (May 2007) "Regulatory Reform Quarterly Progress Report."

<http://www.tted.gov.bc.ca/sfbc/Progress/Pages/QuarterlyReports.aspx>

was completed was reduced from 2 weeks to 2 days. Reviewing applications and making decisions using the online process was reduced from up to two weeks to one day.²³

Appendix 3

The International Standard Cost Model Methodology (SCM)²⁴

There are two key stages used to calculate the administrative burdens baseline:

- the initial measurement of administrative costs; and
- calculating from the initial measurement the administrative burden by applying a business as usual adjustment

Stage 1: Measurement

Administrative costs are the annual reoccurring costs of administrative activities to comply with the obligations that are imposed through central government regulation. These include, for example, form filling, keeping records or responding to information requests.

The SCM methodology does not set out to achieve a statistically robust estimate of administrative costs, as this requires a huge sample size, incurring disproportionate expense. Instead, it provides a systematic approach to measurement that provides indicative data on the administrative costs of regulation. International experience has shown this approach to be valuable in understanding the regulatory landscape and focus simplification activity.

The SCM methodology breaks down regulations into a range of manageable components. This enables the systematic measurement of the cost of regulation across government through extensive interviews and focus groups with organisations, sections and representatives of front line workers. These components are called obligations. An obligation is the specific requirement that must be undertaken in order to comply with a regulation.

Central government regulations were mapped. The responsible government department and the origin of the regulations were then identified, the required obligations defined, and the costs measured.

The SCM calculates the administrative costs arising from a regulation by measuring four key factors:

1. how long it takes to comply with the obligation (Time);
2. the wage rate of the person who undertakes this (Wage Rate);
3. how many organisations carry out the obligation (Population); and
4. how frequently (each year) the obligation is carried out (Frequency)

Multiplying the Time and Wage Rate provides the Unit Cost of the obligation. The Unit Costs also includes any overheads or external goods or services required in order to comply with the obligation

²³ Straightforward BC (Fall 2008) "Regulatory Reform Quarterly Progress Report."
<http://www.tted.gov.bc.ca/sfbc/Progress/Pages/QuarterlyReports.aspx>

²⁴ The description of this approach was taken from the Government's description of its work with the private sector and the third sector, but has since been applied to public services. The description has been edited to reflect this. Better Regulation Executive 'Making Your Life Simpler'

within the regulation. Multiplying the Population and Frequency provides the Quantity. The Unit Cost and the Quantity are then multiplied to establish the administrative cost.

The cost, quantity, population and frequency elements of the calculation were estimated using input from organisations, sections and representatives of the front-line. This was done through extensive face-to-face interviews, telephone interviews, expert panels, virtual panels and assessment with consistent validation through Monitoring Groups consisting of key stakeholders to advise and challenge the results. For the measurements in the private sectors and third sectors Government departments commissioned PricewaterhouseCoopers, which involved over 8,500 interviews and over 200 expert panels. Departments have continued to measure the administrative burden of regulations introduced since the baseline was calculated, using the same approaches outlined above in order to report progress on their net reduction targets.

Stage 2 – Adjusting for business as usual

Once the measurement exercise had established the administrative costs of regulation, the Government applied a pragmatic and credible process to estimate the percentage of the total administrative costs that consist of activities that would be done anyway. This is termed the business as usual cost. Subtracting the business as usual cost from the total administrative cost estimate gives an estimate of the administrative burden.

The administrative burden is defined as the costs of administrative activities over and above what a business would choose to do in the absence of the regulation. The business as usual approach is about focusing government's reduction effort on the burdens that are of real concern. Independent panels have been used to agree the business as usual process and methodology and determined what activity would be done in the absence of regulation. Data from such measurement exercises have been used as a basis to calculate indicative estimates for this activity for all information obligations.

Appendix 4

UK Departmental Gateway Example 1:

The Department for Children Schools and Families (DCSF)

The DCSF has established a number of “gatekeeping” mechanisms to ensure that their simplification measures were quality assured. The following groups consider the level of bureaucracy that the DCSF imposes on frontline professionals and challenges existing ways of working with the frontline and between agencies. (the DCSF also consults with a wider range of stakeholder groups).

- The Implementation Review Unit
- The Star Chamber
- Local Authority Communications Gateway

These groups are described below, including evidence of their impact.

The Implementation Review Unit

This covers schools’ policies and has a membership of head teachers, practitioners and a business manager. The panel was launched in 2003 and has been influential in challenging and supporting policy officials to consider the practitioner perspective.

The Star Chamber²⁵

This is a gateway process, involving a Star Chamber Scrutiny Board to assess all DCSF proposals for new, or revised, data collections relating to children and young people. It aims to ensure that all new collections, or revisions to existing collections, are feasible, necessary, provide value for money and are timed to add as small a burden to the front line as possible. It amalgamates and streamlines exercises wherever possible. It is one of the main vehicles in the Department's drive to reduce bureaucracy impacting on local authority children's services (including education) and schools. It was formed in 1999 to review existing and proposed data collection exercises originating from within DCSF and re-launched in October 2006 with a wider remit and enhanced powers. The Board is formed from front line local authority representatives who are involved in children's services data including education, social care and early years, plus serving head teachers from primary and secondary education. Ofsted (responsible for the inspection of children’s services and schools) have a standing place on the Group.

Local Authority Communications Gateway (LACG)

This was created by the DCSF in 2007 - as an internal mechanism to manage the Department's policy communications to the local authority audience. To date the LACG has made a significant impact in reducing the burden of uncoordinated communication through better planning, streamlining, quality assuring and prioritising of policy messages to this key partner group. An important channel in the LACG is the weekly LA Email; a policy news bulletin to local authority Directors of Children’s Services (DCSs) and chief executives. Recipients were surveyed: 82% of the DCSs who responded had noticed a reduction in the volume of unsolicited messages received from DSCF, 91% thought the LA Email saved them time and provided information at the right level, and 76% had noticed an improvement in the coordination of messages since the LACG began. In a further piece of qualitative research into the

²⁵ <http://www.standards.dcsf.gov.uk/starchamber/>

effectiveness of communication channels a DCS commented on how useful it was for planning purposes to have a single, authoritative source of all the Department's policy priorities, statutory requirements and good practice that arrived on the same day each week.

Evidence of impact

29% of the 30% savings target have now been identified and agreed with Ministers, and the savings are in the process of being rolled out. About a third will be realised by the end of the year, with the rest being made as they come on stream throughout the 2010-11 year, with just a few coming up into the first part of 2011-12. DCSF has delivered a 9% reduction to date and the remaining delivery is expected by the end of the 2011/12 academic year.

UK Departmental Gateway Example 2: Department of Health (DH) External Gateway

In December 2001, the DH introduced the External Gateway system to help ensure that the Department promulgates consistent messages and does not impose excessive burdens on NHS/social care organisations. The External Gateway reviews all DH communications and data collections with the NHS/social care against a set of standard criteria informed by Departmental policy. It makes sure that any guidance issued is best practice, unless there is a very good reason to instruct the NHS/social care to do something in a particular way, and ensures that the amount of guidance documents, targets, plans, requirements and data collections are kept to a minimum.²⁶ The External Gateway has been held up as a gold standard within central government and was used as a model exported to other government departments.²⁷

This section is set out as follows:

- Overview of DH External Gateway
- Evidence of the impact of the DH External Gateway
- Related programmes and bodies with gate-keeping roles in the DH

Overview of DH External Gateway²⁸

The External Gateway provides assurance to both NHS and social care professionals that all communications, including data collections, from the Department and its associated Arms Length Bodies are fit for purpose in terms of content and corporate policy governance and do not impose excessive burdens on the NHS or adult social care. For example, in 2008/9 the team reviewed 1907 documents within which a significant number of proposed requirements (e.g. data collections, targets, plans, directions) were not taken forward. To reduce the burden of bureaucracy further, the majority of communications have been issued via www.dh.gov.uk and promoted in succinct bulletins to specific staff groups.

The key principles used by the External Gateway, and which those communicating with staff must consider are:

²⁶ Department of Health. <http://www.dh.gov.uk/en/Managingyourorganisation/Reducingburdens/Gateways/index.htm>

²⁷ Department of Health (2006). "Simplification Plan."

²⁸ Department of Health. http://www.dh.gov.uk/en/Managingyourorganisation/Reducingburdens/Gateways/DH_4113584

- Short documents
- Integrated and consistent guidance
- Stakeholder consultation
- Good practice and use of non-legislative levers/enablers
- Focus on outcomes rather than prescribe process
- No new targets / plan requirement
- Reduced central monitoring
- Publish impact assessments (including equality) and identify funding for delivery
- Targeted mailings (e.g. use of existing e-bulletins)

All communication from the DH has a Gateway number and staff are encouraged to check for this and challenge senders who have not included a number.

Other Government Departments need to navigate communications targeted at a health service or social care audience through the External Gateway before issue.

The DH External Gateway uses a set of published criteria to assess compliance. Other Government Departments are required to:

- Seek advice from the Gateway team on the key DH issues/stakeholders to consider in developing any new/changed policy proposal which will have an impact on either a health or adult social care audience prior to Ministerial submission or announcement.
- Self assess draft documents against the DH Gateway criteria checklist before referring draft documents along with proposed distribution methods to the DH Gateway mailbox for approval.

In addition to Government Departments all health Arms Length Bodies (ALBs) have gateway controls in place, either through self-regulation or using the DH External Gateway. Where an ALB plans to introduce a new requirement, target, plan or data capture requirement for the NHS/Social Care, this must be discussed with the DH external gateway beforehand.

Evidence of Impact of the External Gateway²⁹

The Gateway has had a significant effect on communications from across government departments:

- it has stopped over 1200 new requirements, targets, plans or data collections since August 2003
- 50% cut in direct mailings issued to the service from the Department of Health since December 2004.

Related programmes and bodies with gate-keeping roles in the DH

The following programmes and bodies have been established in response to the Government's Better Regulation agenda, which also have gate keeping roles or coordinate the data and inspection burdens on the front line:

- Streamlining Data Collections Programme
- Streamlining Data Collections Board
- The Review of Central Returns
- Provider Advisory Group

²⁹Department of Health. http://www.dh.gov.uk/en/managingyourorganisation/reducingburdens/gateways/dh_4113584

- The Care Quality Commission

Streamlining Data Collections Programme³⁰

This programme is managed by the DH's Information Centre for Health and Social Care to enable the DH to meet the Government's target of reducing the data burden on the frontline by 30% by 2010. It complements the External Gateway. Between 2007 and 2009 they achieved a 24.3% reduction in health and 29% reduction in social care data collections. The methodology used to measure the progress made is different for health and social care. The health collections are based on an estimate of the burden the data collections represent. This figure is expressed in person years (i.e. 1 person year represents a single person working for a whole year). The reduction in social care data collections is measured using the number of data lines within specific data collections that have been removed.

The Streamlining Data Collections Board

This is chaired by the Chief Executive of the NHS Information Centre for Health and Social Care and has been established to reduce the unnecessary burden of information and data demands placed on the frontline. The Board has oversight of all national collections from the NHS and adult social care required by the Department of Health, its agencies and regulatory bodies. It ensures independent sector providers are fully integrated into information systems, applying to information requested by the NHS for all NHS funded patients. The Board has buy in at the most senior level across the Department and is sponsored by and accountable to the DH Chief Informatics Officer. Actions to date include:

- Reviewing data collections to identify those that can be withdrawn;
- Establishing a more robust assessment using the standard cost model methodology, of the burden of the ongoing data collections;
- Conducting a review of and implementing improvements to the regulatory process governing data collections;
- Improving the experience for end users of collection systems; and
- The focus of attention is on collections from public and independent sector healthcare providers and adult social care.

The Review of Central Returns (ROCR) – part of NHS Information Centre for Health and Social Care

This process is concerned with supporting the Department of Health (DH) and its Arms Length Bodies (ALBs) to implement the government's policy in 'Reducing the burden' of data collections from the NHS. This ensures that:

- collections fit with national health policies in England
- requests for the same information are not repeated
- NHS organisations can complete these in as little time as possible.

The External Gateway works together with the ROCR in reviewing data collections, questionnaires and surveys from the DH. It advises ROCR on the purpose of the return and the strategic fit with policy.

ROCR review all information requirements, which are collected as 'returns'. These are submitted as proposals for new collections, including one-off surveys. Department, sections or organisations

³⁰ Department of Health Simplification Plan (2009).

considering a new or changed return need to allow between five to six weeks for clearance. The ROCR is advised by several individuals and organisations, in addition to the DH External Gateway, including:

- ROCR Steering Committee
- Impact Assessment Panel (consists of NHS staff who have volunteered their support to the approval process and who are asked what effort is involved to collect the information)
- Monitor (the independent regulator of NHS Foundation Trusts)
- Information Standards Board for Health and Social Care (ISB)

The ROCR team has adopted the Standard Cost Model (SCM) methodology as a way of measuring the burden imposed on the NHS through the collection of centrally required data by the public sector.

Provider Advisory Group

This is an independent group established in 2007 by the NHS Confederation and the Independent Healthcare Advisory Service. In 2008/9 it focussed on identifying and prioritising irritants in the healthcare system.

The Care Quality Commission

This took over the regulation of health and adult social care in April 2009. It also has a Gatekeeper role, working with others e.g. Audit Commission, to prevent disproportionate, uncoordinated inspection and it will compliment rather than duplicate the roles of other bodies. It will operate using a proportionate, risk based approach to inspection. It shares information with other agencies such as local authorities and coordinates with other agencies re inspections – thus reducing inspections.

Appendix 5

Norway's Program to Modernise the Public Sector

The aim of Norway's Program to Modernize the Public Sector is to make the public sector more user-oriented, efficient and simple, primarily by means of delegating within the state and by decentralising to the level of government closest to the user. The main goals are:

- A less complex public sector
- Public services adapted to individual needs
- An efficient public sector
- A public sector that promotes productivity and efficiency
- An inclusive and motivating human resource policy

Several regulatory policy commitments are integrated in the Programme and its sub-projects.

- Consolidate and reduce public sector ownership interests
- Establish a clearer distinction between the state's administration, financing and service provision responsibilities
- Strengthen public supervisory authorities, ensuring they have high standards of expertise, and giving them a more independent position in relation to central government
- Strengthen the Competition Authority by implementing an action plan to ensure fair competition
- User-oriented one-stop shops to public services, cutting across agencies and administrative levels
- Use of sun-setting
- Simplification of laws and regulations
- Requirements for estimates of total costs in connection with tenders, investigations and major re-organisations of service provision
- Delegation, decentralisation and more independence to municipal and county service providers with regard to their organisation, services and influence on their level of income