

2015 SPANN ORATION – PUBLIC ADMINISTRATORS AS CHANGE AGENTS AND BROKERS

Introduction

I would like to thank the NSW Division of the Institute of Public Administration Australia for inviting me to present the 2015 Spann Oration. It is both an honour and a privilege.

Professor Richard (Dick) Spann held the Chair of Government and Public Administration at Sydney University from 1954 to 1981. He made a substantive contribution to the field as reader, writer and critic and served as the Editor of the Institute's Journal for 20 years.

I am old enough to have been a student during the 1960s of Professor Dick Spann on the subject of Government and Public Administration within the Faculty of Economics at the University of Sydney. Dick Spann, to an eighteen year old working class part-time student from Sydney's Western Suburbs, appeared as a tall, very straight backed patrician like figure, resplendent in black academic gown.

When doubt emerged in the minds of the largely public servant class about the relevance and reality of the theories he expounded his clear message was that what required adjusting was **not** his theories but our work environment!

The title and theme of tonight's Spann Oration "Public Administrators as Change Agents and Brokers" is directly related to the overarching functions of the public sector including:

- The determination and administration of the fundamental legal frameworks and processes which guide law making and facilitate the rule of law
- Fair and honest public interest policy advice
- Administration of services provided or regulated by the public sector on equity, safety or efficiency grounds
- The stewardship of systems of public purpose assets (physical, intellectual, economic and social) ranging from physical infrastructure (such as roads and water) through to the economy's financial systems and to public health
- The determination and allocation of property rights (urban land use planning is an example)
- The stimulation and creation of markets in situations where prior conditions of market failure exist and/or where social benefit can be gained by facilitating a market approach.

This latter phenomenon is nothing new in spite of the current spate of learned discourse on “stewardship of markets”. The guided transfer of knowledge from the public sector (where it has been incubated) to the private sector is a prominent feature of our political economy.

Public Servants and Politicians

It is fundamental to my world view that the primary and paramount source of legitimate deliberative or constructive change is the elected politician as Minister of the Crown supported by a majority of Parliament.

This does not mean that in the process of change, particularly the brokerage of change, that public servants do not, with the endorsement of the current political leadership, play, from time to time, a leading and formative role including occasionally a dominant role.

The last is sometimes necessary but is almost always hazardous. My own experience as one of the formulators, brokers and public advocates for the 1983 Richmond Report and the Metro Rail concept in 2007 are examples of the hazards a dominant role can bring.

There are six reasons that require the politician to enter a contract or partnership between politician and public administrator to achieve and/or broker change:

- Government change momentum can lessen and falter, particularly if public controversy on specific issues erodes the scarce political capital of the government.
- Ideology and personal political and intra party factional rivalries are ever present and there is always a risk that these will frustrate or even destroy sound policy change, in the absence of the structured input and processes of public administration.
- Change to be effective must be sustainable within the ongoing machinery of government. The capacity to achieve sustainability requires the sustained experience and knowledge of the administrator to achieve implementation.
- The administrator brings to bear the knowledge and practice of structured process and usually a better understanding of the “knock on” and cumulative impacts of policy change and the often less than obvious linkages between and within policy areas.
- Continuity of subject knowledge, policy expertise and sound advice is available within the public sector including most critically the capacity to assist to sift through and analyse competing ideas and proposals from a public interest perspective.

- Finally, and most importantly, public servants have an obligation to act in the public interest and to seek out appropriate public or community value and to represent the wider interest of the taxpayer.

Frank and Fearless

As a recent article in the newsletter *The Mandarin* written by Dan Moss and quoting Professor Paul 't Hart from the Netherlands School of Government at Utrecht University said:

"We do encourage people to be more assertive, to be looking at themselves not just as technocrats but also as guardians of public sector values that may well transcend the priorities of politicians.

"Not to play that game is risking irrelevance or invisibility, which is two sides of the same coin in politics. But at the forefront the 'ultimate rationale' for the political system is to produce value for the community".

At the 2015 IPAA National Conference NSW Premier the Hon. Mike Baird in his Garran Oration enthusiastically endorsed the partnership role of public administrators and politicians in achieving social and economic change.

It was pleasing to hear Mike Baird encourage public servants to accept their leadership responsibilities, take risks and, importantly, provide quality advice to Ministers even if, at times, unwelcome.

However, the reality of “frank and fearless” advice can be very daunting, challenging and even traumatic. It requires a capable advisor, a receptive listener and a respectful professional relationship between Minister and public servant. In ancient times messengers with unpopular or unpleasant tidings were put to death.

A very wise politician once said “know your worth but know your place”. Rule number one in the frank and fearless advice Handbook is that everything has its time and place.

There is, of course, a responsibility on both sides and public servants who, for example, tell a newly elected government that its policies are wrong or inappropriate rather than provide advice to assist to mitigate policy challenges are not helping either the Minister or public service to develop an appropriate relationship.

The second rule in the Handbook is probably a reminder that there are many ways of getting advice across without always writing a confronting and problematic brief.

The context and atmosphere in which these relationships are set is very much influenced by the values and behaviour of the Premier or Prime Minister. Reality is, however, that there are Ministers and Ministers!

A good Minister knows the worth of the players and manages “time and place” in dealing with public servants, advisors, colleagues and private interests.

Private versus Public Benefit

I have had the opportunity, privilege and challenge of playing a leadership role in a number of “frame changing” or “paradigm changing” programs including the 2000 Sydney Olympic Games, the introduction of Metro Rail to Sydney in 2007 and of course the Richmond Report of 1983.

Each example involved numerous instances of conflict between a broader view of public interest and very narrow views usually of private interest – some of the latter around political power, others about money and economic power.

One of the greatest challenges of public administrations, in my opinion, is the creation of a political and administrative environment which can manage the unrelenting pressure placed on governments by narrow but often powerful sectional or private interests. This includes some whose lack of understanding of public interest and whose standards of business and professional behaviour are sometimes extremely low and poor.

Constraints are needed on both the behaviour of administrators and politicians and those who seek to influence them.

In the early 1980s there was the “whiff” and on occasions the “stench” of corruption in the mental health and intellectual disability hospitals reviewed by the Richmond Report. There was, however, no capacity or capability to mount the sort of intervention of a modern ICAC within a coherent anti-corruption legislative framework where detection of the “vibe” of corruption is almost as important as unearthing wrongdoing.

Essential in the public administration environment are institutions such as the Independent Commission against Corruption (ICAC) and strong incentives (and sanctions) encouraging ethical behaviour.

Sydney Olympics

In 2000 Sydney staged “the most successful Olympics ever” in the words of Juan Antonio Samaranch, then President of the International Olympic Committee (IOC).

In 1995 vested interests were both wittingly and unwittingly capturing Sydney’s Olympic preparations at the expense of public value outcomes. Existing venue operators, sporting and recreation Trusts, some elements of the development industry and some Olympic interests were intent on converting public value to private value (at best, Olympic value).

In mid-1995 when Michael Knight, the Carr Government’s newly appointed Minister for the Olympics, and I, as Director General of the newly created Olympic Coordination Authority, became involved we had neither the venues, the facilities needed for the Games nor the operational capacity to run the event across venues, common and urban domains.

Further, the over-governed and disparate program to deliver construction of the venues and facilities had stalled and was probably about two years behind. Five agencies were each delivering parts of the Olympic construction program under unwieldy central governance – this was all absorbed into the Olympic Coordination Authority.

The scale and complexity of the Olympics meant that changes were needed in the way numerous services (particularly those the responsibility of the Government) were provided. For example, moving 30 million people on public transport over the two weeks of the Games compared to 13 million normally. Also safely and comfortably hosting the 9 million people who celebrated largely outdoors in the City.

There were many legacies generated by Sydney's Olympic experience including the venues and facilities, the regeneration of the Homebush Bay precinct, the creation of Sydney Olympic Park as the most successful post-Games Olympic precinct ever, and the establishment of nearly 1000 hectares of public parklands.

Most of these legacies which changed life in Sydney are still in evidence today and include a number of legacies which are about "how" we do things as well as "what" we do including:

- Scheduling of trains on the Sydney Trains network
- Managing the Harbour and nearby waterways for major events and celebrations
- Initiating the establishment of a network of regional buses across Sydney
- Changing the environmental assessment process for major public infrastructure processes.

Metro Rail

In 2007 as NSW Coordinator General I advocated a radical change in Sydney's approach to new rail projects from heavy rail to metro style – driverless single deck trains.

I took on the Project Director role for the initial forays into metro rail under Premier Iemma which were subsequently cancelled by Premier Iemma's Labor successors.

Metro was not conceived in a friendly environment, with opposition from the rail unions, the heavy rail industry, the Sydney Morning Herald, elements of the NSW Treasury and some individual Ministers.

Today, with construction on the Sydney North West Metro well advanced and plans announced for a second Harbour crossing (Sydney Metro City) and a Sydney Metro South West, the metro concept is now embedded in Sydney's transport future under the Baird Government.

Metro rail is a high volume system of fully automated single deck trains providing “turn up and go” services – a train at least every four minutes at peak times. Operating technology is embedded in the carriages not outside on the track and is linked to centralised train control facilities which operate not only the train you are on but the trains immediately in front and behind you.

These automated communications systems are in large part the reason Metro rail systems achieve such high levels of safety and reliability. Sydney’s Metro trains will feature platform doors as well as train doors. Metro aims also to provide high quality station and adjacent precinct amenity. Metro Rail provides an opportunity for:

- Faster, safer and more reliable and cost effective rail services
- Real contestability in the “market” as a benchmark for Sydney Trains
- Provision of space and time for reconfiguration of the existing heavy rail system to full metro or metro style services (e.g. “turn up and go”)
- Facilitation of denser urban development with improved urban amenity and liveability.

Metros will drive amenity but must be linked to not only urban planning but also government action. This includes proactive programs of site consolidation in and around proposed transport precincts to ensure integrated development, public acquisition of key public domain sites (particularly for parks and community facilities) and detailed budget based plans for urban services including education and health.

The challenge is to support Metro investment in the existing unplanned but built up areas such as the Sydney Metro South West in the Sydenham to Bankstown corridor and fund proactive government initiatives to achieve quality urban outcomes.

Real leadership in effective place making and management is essential to achieving high levels of urban amenity and liveability in a denser Sydney. A brief examination of the land use planning currently on exhibition along this corridor does not demonstrate such leadership.

Richmond Report

The 1983 Richmond Report was about redressing the imbalance between institutionalised hospital care and community care in mental health and intellectual disability services. It advocated strongly for a more decentralised, person centred and integrated model of care and support.

Some institutions were targeted for closure, but not before both growth and compensatory community services were provided. As institutions were closed the funding which previously supported institutional care would transfer to community care and support. The reforms not only sought to change the dominant hospital based model of care but also the culture of those providing that care.

A significant exodus from institutional care through bed number reductions had already occurred in the 1960s and 1970s, well before the Richmond Report. Neither money nor services were channelled into community care to support this exodus. Consequently Richmond implementation started with a backlog of community care.

In the mid-1980s systems for addressing the needs of the two groups were essentially based on a “care and control” model. In the case of mental health a sickness rather than a wellness philosophy. For intellectual disability services the emphasis was on protection at the expense of developing individual potential.

The health services landscape of the early to mid-1980s was fraught with conflict – the movement of acute beds to Sydney’s West, closure and rationalisation of some central City hospitals and the bitter dispute with the procedural specialists over Medicare.

In this environment, political support for the Richmond Report was often a thin “veneer”. On the Labor side powerful Union forces were opposed to the reforms and on the Liberal side so were numerous hospital based psychiatrists. The medical profession in general were at best lukewarm.

Few other social issues over the last 30 years have generated as much controversy as the Richmond Report proposals. Thousands of letters, both for and against, were sent to Parliamentarians, public meetings were held in many locations, often rowdy events, some health staff participated in strikes.

At least one country town “closed down” for a day in protest. Newspaper editorials were written and politicians and Party members debated the proposals in the Parliament and in other forums, including the 1983 NSW Labor Conference.

Ultimately, implementation commenced in mid-1984. Despite broad adoption of the Richmond philosophy nationally, and some early implementation momentum, reform and progress in NSW has been slow and very much “stop/start” in nature.

Disability Challenges

In 2015, through entities such as National and State Mental Health Commissions and programs such as the National Disability Insurance Scheme (NDIS), the opportunity exists to make dramatic and positive generational improvements in the lives of people with disabilities.

There are still many challenges. In NSW specialist mental health services are still over reliant on treatment in hospital settings. Local Health Districts are often not well resourced to undertake the health services planning needed to complement the planning role envisaged nationally for Primary Health Networks. Also, NSW has not, to date, taken adequate systematic advantage of the opportunities to leverage available services under the NDIS.

In managing health issues like cancer and stroke recovery, increasingly we see attempts at holistic, person centred (even, in some cases, person led) care and support in the person's own environment. Mental health services by comparison have regressed. A similar comparison to the range of community based services and support for older people would also highlight this regression.

In 1983 I could attribute the prevailing modes of mental health service delivery to an alliance of psychiatrists, local health administrators and powerful unions. In 2015 the unions are very marginal players but the psychiatrists and the local health administrators still remain dominant.

In respect of quality of life for people with disabilities I am very supportive and positive about the NDIS, however, there are some real issues to be addressed. These apply to all disability needs but particularly to the area of intellectual disability and include:

- The NDIS to be really successful requires an increase in the supply of social or community housing (it will I suspect generate an adequate supply of supported accommodation)
- In rural and regional areas as well as some disadvantaged urban areas outcomes may be compromised because of existing inequalities
- For people with complex needs it is important to continue to invest in and develop specialised expertise
- All markets are subject to some degree of failure but failure in the NDIS market could be devastating to some people – adequate monitoring and funding of both systemic and personal advocacy are needed as part of the safety net
- Finally, system wide planning and coordination must remain in the public sector

Perhaps the greatest challenge to the NDIS is that it will take courage to allow it to grow and evolve despite inevitable challenges and problems such as cost pressures. I know the disability community has such courage. I hope public administrators and politicians do too!

Closing Comments

Popular misconceptions and stereotypes portray public servants as dull defenders of the status quo and existing processes. They are, however, and must also be, change agents and brokers.

Tonight I have focussed on the role of public administrators in change and innovation. It is important for public servants to continue their critical roles of change agent and often more importantly change broker.

These change roles are not new, historically Australian social and economic change contains hundreds of examples of public servants as change agents and brokers. In an era of rapid technology and social change these change roles are even more important.

They always involve risk taking and sometimes can be quite hazardous. You may become a political target and your career could be harmed. For those, in future, who tread this path; don't say you have not been warned!

The rewards for the community, however, are of immense value. There is great satisfaction for public servants in not just doing a competent job but also in achieving meaningful and important results.

Thank you.

David Richmond, AO, FIPAA
11 November 2015