

EPSA Trends in Practice

*Driving Public Sector Excellence
to Shape Europe for 2020*



Edited by
Alexander Heichlinger

EPSA Trends in Practice

Driving Public Sector Excellence to Shape Europe for 2020

ISBN 978-90-6779-216-5

© 2011, European Institute of Public Administration.

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, mechanical, photocopying, or otherwise, without prior written permission of the publisher, EIPA. For translation or reproduction rights please contact:

European Institute of Public Administration,
O.L. Vrouweplein 22, P.O. Box 1229,
6201 BE Maastricht, the Netherlands.
EIPA's website: www.eipa.eu

Typeset and printed by the Publications Service, EIPA, the Netherlands



With the support of
the European Commission,
DG Employment, Social Affairs and Inclusion

EPSA Trends in Practice

Driving Public Sector Excellence to Shape Europe for 2020

Editor

Alexander Heichlinger

The European Commission supports EIPA through
the European Union budget

© 2011, European Institute of Public Administration /
Institut européen d'administration publique
Maastricht, the Netherlands / Pays-Bas
www.eipa.eu

The views expressed in this publication are those of the authors and are not necessarily intended to reflect those of EIPA.

Table of Contents

Note on the contributors	vii
Glossary	ix
Acknowledgements	xi
Foreword	1
<i>By Prof. Dr Marga Pröhl</i>	
Opening words	3
<i>By Maroš Šefčovič and László Andor</i>	
Introduction	5
EPSA – A Driver for Public Sector Excellence in Europe	7
<i>By Alexander Heichlinger</i>	
Trends in practice: Key findings from the EPSA 2011 experience	17
Smart Public Service Delivery in a Cold Economic Climate	19
<i>By Michael Burnett</i>	
Opening Up the Public Sector Through Collaborative Governance	41
<i>By Tore Chr. Malterud and Sofia Benito</i>	
Going Green: Concrete Solutions from the Public Sector	63
<i>By Martin Unfried</i>	
How the public sector benefits from EPSA: <i>The added value of its participation</i>	89
EPSA testimony from the Region of Bourgogne	91
<i>By Martine Vandelle</i>	
EPSA testimony from the City of Cologne	95
<i>By Gabriele C. Klug</i>	
EPSA testimony from the Oldham Council	97
<i>By Dave Catherall</i>	

EPSA testimony from the City of Sant Cugat 101
By Lluís Recorder and Jordi Joly

**Public Return on Investment: How to determine costs
and benefits of EPSA participation and other reform project** 105
By Jens Loff

Note on the Contributors

Prof. Dr Marga Pröhl (DE)

Director-General

European Institute of Public Administration (EIPA), Maastricht (NL)

Maroš Šefčovič (SK)

Vice-President of the European Commission

responsible for Inter-Institutional Relations and Administration

European Commission, Brussels (BE)

László Andor (HU)

Member of the European Commission

responsible for Employment, Social Affairs and Inclusion

European Commission, Brussels

Alexander Heichlinger (AT)

Manager of the European Public Sector Award (EPSA 2009 and 2011) and Expert

European Institute of Public Administration (EIPA), Barcelona (ES)

Michael Burnett (UK)

EPSA 2011 Theme I Leader and Expert of Unit 'European Public Management'

European Institute of Public Administration (EIPA), Maastricht

Tore Chr. Malterud (NO)

EPSA 2011 Theme II Leader and Senior Expert, Head of 'Unit European Public Management'

European Institute of Public Administration (EIPA), Maastricht

Sofia Benito (ES)

Intern of Unit 'European Public Management'

European Institute of Public Administration (EIPA), Maastricht

Martin Unfried (DE)

EPSA 2011 Theme III Leader and Expert of Unit 'European Policies'

European Institute of Public Administration (EIPA), Maastricht

Martine Vandelle (FR)

President of eBourgogne

Burgundy Region, Dijon (FR)

Gabriele C. Klug (DE)

City Treasurer

City of Cologne, Cologne (DE)

Dave Catherall (UK)

Principal Officer, External Funding and Assistant Chief Executive's Directorate

Oldham Council, Oldham (UK)

Lluís Recoder (ES)

Minister of Territory and Sustainability

Government of Catalonia, Barcelona

(Former Mayor of Sant Cugat)

Jordi Joly (ES)

CEO of Economy, Business and Employment

Barcelona City Hall, Barcelona

(Former Vice-Mayor of Sant Cugat)

Jens Loff (DK)

Managing Director

Nordlicht Management Consultancy, Hamburg (DE)

Glossary

ACB	Administrative Capacity Building
CAP	Common Agricultural Policy
CO₂	Carbon dioxide
DG	Directorate General
EAP	Environmental Action Programme
EC	European Commission
EEB	European Environmental Bureau
EIPA	European Institute of Public Administration
EMAS	Eco-Management and Audit Scheme
EMS	Environmental Management Systems
EPSA	European Public Sector Award
EPSO	European Personnel Selection Office
ESF	European Social Fund
EU	European Union
FTE	Full-time employee
GDP	Gross Domestic Product
GIP	Grouping of Public Interest
GPP	Green Public Procurement
HR	Human Resources
ICLEI	Local Governments for Sustainability
ICT	Information and Communication Technology
ICT PSP	Information and Communication Technology Policy Support Programme
IGSS	Interest Group on Shared Services
IPA	Instrument for Pre-Accession
JEAT	European Meetings on eGovernment for Local Administrations
KPI	Key Performance Indicators
MS	Member State
NGO	Non-Governmental Organisation
NPM	New Public Management
OECD	Organisation for Economic Cooperation and Development
PPP	Public-Private Partnerships
PROI	Public Return on Investment
ROI	Return on Investment
SMARTiP	Smart Metropolitan Areas Realised through Innovation & People
SME	Small and Medium Enterprises
TEU	Treaty on European Union
UN	United Nations
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme

UNFCCC United Nations Framework Convention on Climate Change
UN-HABITAT United Nations Agency For Human Settlements Providing Adequate Shelter For All

Country codes

AL Albania	ES Spain	NL the Netherlands
AT Austria	EU EU Institutions	NO Norway
BE Belgium	FI Finland	PL Poland
BG Bulgaria	FR France	PT Portugal
CH Switzerland	HR Croatia	RO Romania
CY Cyprus	HU Hungary	SE Sweden
CZ Czech Republic	IE Ireland	SI Slovenia
DE Germany	IT Italy	SK Slovakia
DK Denmark	LT Lithuania	TR Turkey
EE Estonia	MK FYR Macedonia	UK United Kingdom
EL Greece	MT Malta	

Acknowledgements

Foremost, this publication would not have been possible without the brave and pro-active attitudes and efforts of the many public sector actors in Europe, who are operating in the current situation, often under difficult circumstances. By submitting their cases to the EPSA 2011, the actors have brought their valuable work to the attention of the wider European audience and allowed us to analyse them carefully and draw practical trends and lessons learnt respectively from their projects. A sincere debt of gratitude to them!

As everybody knows, this book is the result of collective efforts and ideas of the many colleagues both within and external to EPSA and EIPA. The editor would like to thank all the contributors for sharing their thoughts, expertise, knowledge and know-how, which shaped this publication continuously over recent months and which is now presented in written form.

Special thanks in particular goes to the entire EPSA team, who with great enthusiasm assumed the objectives and tasks of the project in the various stages and delivered them with a high level of dedication and professionalism. To name them, in no particular order or relevance, they are: Claude Rongione, Esther Haenen, Cristina Borrell, the Theme Leaders Michael Burnett, Tore Malterud and Martin Unfried, and our interns Julia Bosse, Olga Coscodan and Courtney Egan.

I am also grateful to our external reviewers, Prof. Jan Ole Vanebo and Prof. Tor Busch from the University Colleges of South and North-Trondelag (NO), whose remarks and suggestions have undoubtedly contributed to improving and enriching this book.

From an institutional point of view, a profound word of thanks goes to the European countries officially sponsoring the EPSA 2011 and to the two European Commission services – DG Human Resources and Security and DG Employment, Social Affairs and Inclusion – , the latter of which co-financed this publication.

The Linguistic Services team with Tiara Patel, and Simone Meesters from the IDPM department have as always done an excellent and diligent job on the language and the layout of this publication.

Alexander Heichlinger

***For my two ‘Awards’...
Max and Abril***

Foreword

By Prof. Dr Marga Pröhl

As Director-General of the European Institute of Public Administration (EIPA) and one of the ‘founders’ of the European Public Sector Award (EPSA), I am particularly pleased to see that this 3rd edition of the EPSA scheme has been as equally successful as the previous editions, despite the harsh times faced by most public administrations across Europe.

Indeed, the number of applications submitted and countries involved, as well as the interest raised all over Europe for this award scheme, are all proof of its relevance and attractiveness for public administrations at all levels in Europe. This is the second edition being organised and managed by EIPA and its success is also due to EIPA’s visibility and leading role in Europe. Public administrations see EIPA as a well-established Institute, set up 30 years ago, and which cannot be ignored in the European arena. They trust its impartiality in running this scheme and rely on its qualified and competent multinational and interdisciplinary staff involved in EIPA’s activities.

EPSA is now a fully-fledged and prestigious award scheme and nobody wants to miss the train of innovation and best practice recognition at European level. The testimonies of the 2009 edition winners at the end of this publication show that participating in EPSA is a very enriching and rewarding experience and that its benefits go far beyond the mere recognition and award process. Projects submitted to previous editions could benefit from networking, partnering, peer review and emulation from and with other projects in Europe.

For the 2011 edition, the EPSA Steering Committee – consisting of representatives from our supporting partners – chose three themes from among eight proposed by EIPA faculty. These themes turned out to be well targeted since they attracted in total 274 applications from 32 countries and European institutions – a very good result in the current context.

The EPSA learning platform is now a reality in Europe and is bound to grow even bigger in time as new editions will be organised, as well as contacts and networks being established among those public administrations that are in search of excellence and anxious to showcase their achievements. The emulating effect of EPSA undoubtedly contributes to modernisation, innovation and smart solutions in public administrations faced with budget constraints, increasing demands from citizens and the necessity to at least maintain if not increase and improve their service delivery.

It goes without saying that the fact that EIPA – as a leading Institute of training, development and research in Europe – is running the EPSA award scheme puts it in a privileged position to identify new trends in practice at all levels of public administrations. In this sense, it plays both, a proactive role by observing and identifying new developments and trends in Europe, adapting its activity portfolio accordingly, as well as a reactive role as a response to perceived needs resulting from the valuable EPSA exercise.

Without going into detail or claiming to provide a full picture of the situation, the key findings of EPSA 2011 show that the public sector is alert to changes taking place in society at large (technological developments, social networks, ageing population, economic and financial crisis, etc.) and is keen to maintain the quality of its service delivery with reduced financial (and human) resources. This is a real challenge that public administrations are trying to take up by introducing innovative working methods, involving citizens in decision making with a view to regaining their trust and obtaining their commitment, opening up to partnership with private sector and civil society, opening up their data for public use, using new social media and adopting a transparent communication attitude, among others. Overall, it can be said that most public administrations are taking measures to comply, to a greater or lesser extent, with the Europe 2020 Strategy and to shape Europe for the next decade.

To conclude, I would also like to point out that EIPA was again able to mobilise many public sector actors in Europe and to gain the support, both political and financial, of 11 countries (Austria, Cyprus, Denmark, Germany, Hungary, Italy, Luxembourg, the Netherlands, Poland, Spain and Switzerland) and the European Commission, and of our host authorities, the Municipality of Maastricht and the Provincial Government of Limburg. My special thanks go to these EPSA supporters that had no hesitation in embarking on this new edition and again entrusting EIPA with its organisation and management. I would also like to express my gratitude to the European Commission, and more particularly to Directorate-General Employment, Social Affairs and Inclusion, in the person of Commissioner László Andor, and to Directorate-General Human Resources and Security (DG HR), in the person of Vice-President Maroš Šefčovič, for their financial and institutional support to EPSA. I am particularly grateful to Thomas Bender, Head of Unit ESF Legislation and Policy, Financial Engineering, and Łukasz Wardyn, Policy Officer, both from DG Employment, as well as to Madalina Gligor, Policy Officer, from DG HR, for their special efforts and support.

Last but not least, my thanks also go to the EPSA 2011 Team at EIPA, who spared no efforts to make this edition yet another success. In particular, I would like to mention Alexander Heichlinger, EPSA Manager and EIPA Expert, as well as Michael Burnett, EIPA Expert; Tore Malterud, EIPA Senior Expert and Head of Unit European Public Management; and Martin Unfried, EIPA Expert, the three theme leaders respectively.

Opening words

By Maroš Šefčovič and László Andor

To do more with less! This seemingly elusive goal of efficiency, effectiveness and added value has become an inevitable reality for public administrations across Europe, not least for the Commission. The economic and financial challenges over the past few years have affected the private and public sectors alike.

But challenges also bring opportunities. Effective implementation of public policy calls for competent and efficient administrations that are impartial and customer-oriented. Institutional and administrative capacity needs improving if the business environment is to be stable: at a time of economic difficulty in particular, this will underpin structural adjustment and foster growth and jobs. By the same token, reducing the regulatory and administrative burden on businesses can help to boost productivity and improve competitiveness.

On a strategic level, in its Europe 2020 Strategy, the Commission put forward these challenges *via* three mutually reinforcing priorities: smart, sustainable and inclusive growth. We were pleased to see that EPSA took inspiration from these when choosing the three thematic fields of its 2011 edition: ‘Smart Public Service Delivery in a Cold Economic Climate’, ‘Opening Up the Public Sector Through Collaborative Governance’, and ‘Going Green: Concrete Solutions from the Public Sector’. We were even more delighted to see that 274 public administrations from 32 European countries and EU institutions showcased their innovative achievements in those thematic fields. It shows that Member States continue to take seriously the need to improve the efficiency of their public services and to innovate in service delivery within the current economic climate – endeavours whose continuity we strongly encourage.

Efficiency and effectiveness, together with increased openness and transparency have been at the centre of the latest initiatives of the Commission on public service delivery. To mention just a couple of examples:

- The new eGovernment programme ‘Interoperability Solutions for European Public Administrations’ (aimed at improving electronic cooperation among public administrations in Member States).
- The consolidation of websites and portals, such as ‘Your Voice in Europe’ (access point to online consultations and debates on the European agenda), ‘Your Europe’ (portal to online European and national public services), and ‘SIMAP’ (information for public purchasers and businesses interested in public procurement opportunities in Europe).
- The European Citizens’ Initiative (allowing citizens to directly suggest new EU legislation).
- The revised Code of Conduct for Commissioners.

It goes without saying that high quality public administrations, at both EU and national levels, are an essential element for achieving the strategic goals set out in the EU 2020 Strategy. The European Social Fund (ESF) – which now has a clear priority in supporting the development of administrative capacity in employment, education and health – offers well-recognised support to the Member States in their efforts to meet the EU 2020 objectives. This new special ESF priority on administrative capacity building, which 18 Member States have made use of and which has been allocated around €2 billion from the Fund, was introduced as a key way of promoting structural adjustment, growth and jobs, and – more broadly – economic development, and of contributing to reform, better regulation and good governance. The first results are beginning to show and they are encouraging, showing that the ESF meets the Member States’ needs in terms of stepping up their administrative capacity. In particular, this involves measures that focus on structures, human resources, systems and tools.

Nevertheless, the provision of public services across Europe is faced with new trials, particularly in the light of amplified public deficits, increased demographic pressures and the challenges of a globalised world. More, and ever smarter, initiatives are needed if the public sector is to adapt and continue to contribute qualitatively to essential policies in areas as diverse as climate change, energy and security.

Schemes like EPSA are important instruments for encouraging good practices in public administrations across Europe and helping countries learn from each other – a synergy that we must maximise! Since its creation in 2007, EPSA has acted as a driver for change in the way public services function in the 21st century, encouraging them to implement innovations and deliver quality.

We believe that the role of EPSA to oversee pan-European public sector achievements – accessible to all levels of government – makes this project particularly relevant. These award schemes not only publicise and disseminate new approaches to administrative issues, but help raise the bar in terms of setting new standards of excellence for Europe’s public sector institutions. In addition, by encouraging the submission of projects for EU support, EPSA has effectively promoted the European Union’s funding possibilities.

We thus congratulate EPSA and EIPA in managing to take on the essential theme of administrative reform in Europe, to identify practical examples from across Europe under various EC supportive actions whilst setting it within the strategic context of Europe 2020. We furthermore congratulate the worthy winners of the awards.

Excellent work, which we encourage you to keep up!

Introduction

EPSA – A Driver for Public Sector Excellence in Europe

By Alexander Heichlinger¹

Europe – and in fact the entire world – is currently facing perhaps the deepest and most multiple-faceted financial and economic threat in recent history. The ‘old’ continent has a sovereign debt problem which, in combination with the global recession, has created a crisis in many EU countries. This crisis has to be resolved with necessary and sufficient austerity and productivity improvement measures. The history of European countries becoming victims of public debt is partly a story of how debts were transferred from the private sector as a consequence of the financial crisis in the banking sector and national governments combating the credit crunch by taking over the latter. The cost of this behaviour has now materialised and is finding its way to the taxpayers.

How can these urgent problems linked to public financial pressure be resolved? Traditionally, it would be by economic growth and increased public income through taxes, in combination with budget cuts and austerity measures! (Strong) economic growth seems quite far away, but the pressure on public spending is still there due to demographic reasons (elderly care, decreasing workforce), unemployment and expenses related to pensions, education and health.

This poses a true challenge not only to private enterprises, but in particular to the public sector. Governments and their public administrations, not only as in recent years, but certainly also for the coming 3-5 years, will thus be under severe pressure with regard to their public finances and spending. Such pressure has already necessitated a change in the way public services are delivered, a re-assessment of the scope and nature of services to be provided by the public authorities, as well as the increasing involvement of, or delegation to, other partners. This demand is independent of the method (electronic, front office etc.) in or by which sector (*e.g.* environmental, health, education) the services are delivered. In all cases, it has obviously led to the need to establish more accurate and service-oriented measurement tools and methods to

¹ Alexander Heichlinger, a business economist, is based at the European Centre for the Regions (EIPA-ECR) in Barcelona, and previously worked since 1996 at EIPA Maastricht. His fields of specialisation include regional and local (economic) development, structures and cooperation (in alignment with the Lisbon/EU 2020 Strategy) and the management of EU projects at these levels. His second area of expertise is ICT and eGovernment in public administrations. Over the last 15 years he has completed numerous assignments for regional and local authorities in Europe and for the European institutions, as well as having published 7 books and many other publications.

ensure that the scarce resources now available to the public sector are being used effectively and efficiently.

In other words, this means that the public sector has *to do more with less* and focus on smart public service delivery in this cold economic climate, often accompanied by opening up its traditionally ‘closed’ sector and at the same time combat climate change and protect the environment. The only solution seems to be – in this scenario – to increase efficiency, to innovate and strive for better and best practices.

The European Public Sector Award (EPSA) – now in its 3rd edition – rewards those projects that address relevant European public sector challenges and are crucial drivers for change in the way the public actors operate in the 21st Century. In turn, these projects provide insight into the pro-active approaches of hundreds of public administrations, who are facing the current challenges of climate change, rising unemployment, social exclusion and demographic change, as stressed before.

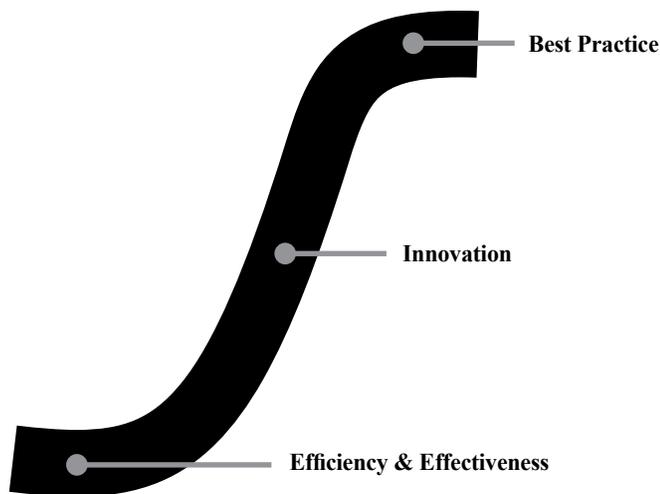
EPSA’s underlining motto is to strive for public excellence and to bring together *‘the best, most innovative and efficient/effective performers from the European public sector’*. These were the fundamental elements laid down by the founding fathers as they aimed to place the emphasis of EPSA on collating applications of ‘public excellence’ in various forms and stages. In this context, all public excellence achievements must show a clear leap of progress in their operations; however, this contest also measures the fine distinctions between what each of these practices deliver, as well as the set-up or context behind the resources (human, financial) available. A case that is dominated by means and actions demonstrating a high level of *efficiency and effectiveness* in the reforms or modernisation process through the sensible replication of already ‘existing’ modes developed by others, while tailoring it to their own context, justifies rewarding. Many such success stories can be found in particular European geographical areas or Member States in which known cohesive tools and methods have been applied and transferred in a professional manner. This demonstrates that the project has made substantial progress towards its intended goals and is generally accompanied by economic evidence, *i.e.* savings or smart use of scarce resources.

Another category of public excellence projects are those which deliver something new or *innovative*, a ‘burning’ idea, a novelty which goes beyond an average situation. They are often created under certain pressure and due to specific circumstances or in a contextual (*e.g.* cultural) environment, but with the aim of becoming a frontrunner (or ‘next best practices’) in the field. These performances demonstrate a clear leap of creativity, but have not necessarily reached their full level of efficiency and/or effectiveness or ‘maturity’. In each EPSA edition, many of these cases have been received and, based on their innovative character, have subsequently been recognised.

Finally, one can identify those public sector achievements in their development curve which are outstanding and turn into leading *best* practices, both in their specific arena and at the European level. They are considered to be ‘unique’, often in relation to

cultural, ethical, legal, national and/or organisational context, as well as being visible and distinctive, *i.e.* they have a clear identity and are recognised, at least in the region or country of location. Their real practical results and impacts are beneficial to a sufficient number of users – citizens and business – which make it likely that similar results could be reproduced elsewhere in Europe, *i.e.* the evidence of gains shown in the application should not be on such a small scale that the results are insignificant, and they must be able to demonstrate their continued sustainability. Here too, the EPSA – in its three editions and as can be read in this publication – has identified a number of such exemplary projects and made them available to a wider audience.

Figure 1: Types/forms of public excellence in the EPSA scheme and contest



The illustration above – which also shows how the illustrative ‘S’ of the EPSA was born and received its final shape – accepts, highlights and showcases the project development curve, which includes all three forms of public excellence achievements across administrative levels for the EPSA scheme. The entries are assessed according to an independent and impartial multi-step process and by a publicly known set of general (*i.e.* innovation, public concern, sustainability, impact and learning capacity and transferability) and theme-specific criteria that reflect and measure these types of excellence. In the end, this allows the evaluators, and ultimately EIPA, to identify the ‘best’, *i.e.* those driving public sector excellence in Europe, and reward them accordingly (in our case in three groups: best practice certificates, nominees and winners).²

² It should be noted that EPSA is a competition in which participation is voluntary; EIPA therefore makes no claim that the process represents a comprehensive survey of applications (on the themes in question) across Europe.

Transfer of the rich knowledge and practices obtained by the EPSA rounds – more than **1000** have been processed since its foundation – represents the core of the scheme, both for EIPA and its European partners. Alongside its strategic mission, EIPA pays special attention to sharing and exchanging these good practices from the EPSA initiative with the aim to minimise both, the wastage of resources in public sector organisations operating in the current ‘cold climate’, and the wastage of time spent ‘re-inventing the wheel’.

The good practices rewarded in the EPSA scheme – similar to other international award competitions and related publications/manuals³ – offer and contribute to a faster adoption process by other public administrations. By preparing the ground for the awards and follow-up activities to build upon the results of the EPSA through promotion and dissemination, specific knowledge-transfer activities (past/future) ensure the extraction of lessons learned in certain domains, a better understanding of the respective trends, thereby generally providing a mechanism to match the demand with the supply. In this context, since its beginning, EIPA was involved in and has set a framework for several such EPSA learning activities – ‘commercially’ probably to be known as *EPSATransfer by EIPA*.

This *EPSATransfer by EIPA* naturally includes customised and tailored knowledge transfers (-routes), the facilitation and promotion of specific transfers of results, ideas and knowledge depending on the local circumstances. As continuously announced on our official web-portal⁴, apart from this publication and the EPSA project catalogue, this framework already provides a transparent mix of traditional and established information and development methods (**learning role**), such as presentations and publications in both EIPA internal and external forums, conferences, workshops and/or trainings (central, in-house, on location), as well as comparative research. Some very relevant examples of such cooperations were or are being carried out with Spanish, French and Greek public organisations.

Additionally, EIPA/EPSA pursues other innovative, pragmatic and locally demanded transfers of knowledge amongst peers and experts. Moreover, it takes advantage of the use of modern technology and social media platforms, as seen in its collaboration with Austrian and UK organisations. The list of *EPSATransfer* is not exhaustive and can be further experienced for example *via* engaging in sister-city agreements and/or regional partnerships (**matching and broker role**), instructing the best practice organisations (*‘making the best even better’*) or defining and describing the formula of success (*‘the making of...’*) (**consultancy role**), and providing through externally requested reviews, advice and/or (quality) ‘accreditation’ (**advisor role**). Partnerships have been or will be entered into for this type of transfer with Hungarian and Norwegian stakeholders and by EIPA’s contribution and membership in the EC Steering Group

³ E.g. ‘A guide for transfer and adaptation of innovations in governance: Practical tools and steps’, UNDESA & UN-HABITAT, 2007.

⁴ See details at: www.epsa2011.eu/en/content/show/&tid=120.

for the ‘*Assessment of administrative and institutional capacity building interventions and future needs in the context of European Social Fund*’ project.

Thanks to the viable and constructive cooperation with many partners, a community of ‘**EPSA friends**’ has been created, that acknowledges and dedicates their actions to promoting and assisting governments in their reform efforts. More of such collaborations at local, regional, national and European level are to be developed in order to fully take advantage of and benefit from the EPSA data and information, which ultimately is to be at the disposal of all European public organisations.

By identifying, highlighting and disseminating the exemplary models and knowledge of pro-active and good practices in Europe, the EPSA also successfully works and contributes towards both the overarching new framework of the European Union – the EU 2020 Strategy – as well as to several specific programmes under the current financial period (2007-2013).

As stressed by the European Commission’s Vice-President Šefčovič during the launch event of the EPSA 2011 – along with Europe 2020, which was adopted last year – three mutually reinforcing priorities were set: smart, sustainable and inclusive growth – aiming to help the EU and the Member States to deliver higher levels of employment, productivity and social cohesion. In this context, he clearly noticed the congruence between the objectives set in the Strategy and the three themes chosen for the EPSA 2011 (see more details below). The themes clearly address public concerns about current and future challenges across Europe. It is the unique role of EPSA, which is to oversee pan-European public sector achievements, that has earned it the full support of the EC.

The ability of Europe to contribute significantly to the progress of the EU 2020 agenda is critical for growth, competitiveness and, in general, for the high living standards of its citizens. As one of the key players, governments and their public sector actors are playing a crucial role in the implementation of these objectives.

The EPSA obviously contributes with its deliveries to several concrete priorities introduced in the various European supportive actions or EU funds under the current financial period 2007-2013, *e.g.* in the European Social Fund’s regulation, the Administrative Capacity Building (ACB) priority, Art. 3.2(b)⁵, or the Institutional Building priorities under the Instrument for Pre-Accession (IPA) external assistance. These actions recognise the need to support the strengthening of institutional and administrative capacity as a key element for promoting structural adjustments, growth and jobs. The EPSA practices promoted over the previous editions certainly benefited and supported the modernisation of public administrations in the new and future Member States and their sub-national entities, thus paving the way for the next period.

⁵ Relevant note: the EPSA 2011 scheme has received several submissions benefiting from the European Social Fund or other EU supportive actions (see for details the EPSA 2011 Project Catalogue).

In a nutshell, EPSA has proven to be a useful instrument for giving more visibility at European level to these supportive actions and to the most innovative activities within the public administrations that it supports. It embodies the spirit within the EU 2020 Strategy, in which the many local, regional, national as well as European public administrations are expected to meet this ambitious vision and to improve – ‘to drive’ – their many public services under the current constraints of the decade (and generation) to come.

EPSA 2011 – purpose and structure of the publication

This publication is again the result of the many applications received during this edition. Its main purpose is thus to shed light on the many public administrations efforts and to draw the future *trends from these practices* when analysing the innovative performances. The state of affairs and development of the three EPSA 2011 themes are mirrored against the respective applications received and the emerging, best or nominated practices are highlighted in order to subsequently arrive at common conclusions and recommendations. In addition, this book provides – for the first time – some insight into the grounds and motivation behind why public organisations participate(d) in initiatives such as the EPSA (*EPSA Testimony*), as well as outlining a possible model for measuring and defining the potential public added-value of such participation and the return on investment one may expect.

In line with the EPSA’s general philosophy and as explained above, projects submitted to the scheme and those subsequently commended offered a sound overview of the application performance and accumulative evidence against the set criteria; the ‘key enablers’ or critical success factors have also been identified and demonstrated.

Against the background of a rapidly changing social, economic and environmental context and in light (of the aftermath) of the financial and economic crisis, EIPA’s experts identified and formulated for the attention of the EPSA Steering Committee – the countries officially supporting the EPSA with a ‘voice and vote’ – eight topical and actual themes, which were then narrowed down after a day of discussion in November 2010, to the three official EPSA themes. Here a brief description of the three selected themes is presented, highlighting their importance and the type of project falling under this category for submission.

Theme I – Smart Public Service Delivery in a Cold Economic Climate

The pressures on public finances, as currently faced by public administrations across Europe, are severe though not unique. But what is unprecedented in modern times is the number of European public administrations simultaneously facing these pressures and a mutual obligation to stabilise public finances. As might be expected in such circumstances, the responses of European public administrations have varied in their scope, scale, nature and effectiveness. However, the need to respond effectively has

never been greater – what is at stake here is the preservation of the means to support Europe’s social model for future generations.

This topic was looking for showcase projects based on how public administrations are responding to these challenges and balancing these competing demands in a difficult economic climate.

Projects submitted under Theme I should have demonstrated and contained elements of proven evidence on one of the following sub-topics:

1. Successful changes in the means of service delivery between internal and external service delivery or between different types of external service delivery, successful internal re-organisation of service delivery, successful introduction of shared services, *i.e.*
 - Improved quality or volume of service delivery at the same or lower cost.
 - Maintaining diverse service objectives and quality whilst reducing costs.
 - Delivery of a redefined level of service scope at a significantly lower cost whilst respecting statutory obligations.
 - Delivery of much higher levels of service standards at, proportionately, a much lower level of cost increase.
2. Examples of an imaginative definition of qualitative and quantitative performance measurement tools demonstrating a link to service objectives.

In total, **103 entries** were registered under this theme, covering administrative sectors such as health, education, budget performance and finance, agriculture and justice – to name a few – where a smart service delivery was accompanied by possible economic savings, an increase in quality, etc.

Theme I was led by *Michael Burnett*, who addressed these issues in this area, as well as provided a good indication of the current trends and emerging good practices.

Theme II – Opening Up the Public Sector Through Collaborative Governance

Collaborative Governance refers to the involvement of citizens, the business society, NGOs and other representatives from civil society at different stages of the political process. These stages are: the preparation phase, where the basis for decisions are created; the decision-making phase itself; the implementation of the decisions; and finally the evaluation of the political action. Impact assessment, monitoring and evaluating the effects of the actions are natural parts of all processes.

Open governance refers to a situation in which the entity shares information, consults, involves and increasingly works together with the private sector. This also implies the regular sharing of information by using new technology for communication.

Open data/sources means access to information; that information is provided in an understandable way and that the available information is relevant to citizens and businesses.

In this context, all levels of public administration across Europe have developed new institutional structures and created new policy frameworks to promote trust and transparency in government, to enhance and facilitate access to information, to create spheres of public consultation and to ultimately engage the civil society in making policy decisions.

In effect, the EPSA Theme II was looking for showcase projects that attempt to adapt private sector models of consumer involvement in policy planning and delivery, but which also build on the concepts of ‘open government’ and ‘active citizenship’, ultimately allowing citizens to engage in the planning and delivery of public services.

Project entries under Theme II should have contained elements of proven evidence on one of the following sub-topics:

- Match between the involvement objectives and those of the policy area.
- Demonstrate that the new way of working in collaboration contributes tangibly to the service delivery objectives.
- Justify the financial and human resources devoted to the actions.
- Make it obvious that the involvement of the civil society is a better alternative than closed governance.
- Prepare citizens through openness (access to information and well functioning ICT systems) to take an active part in the decision-making processes.

The applications should have demonstrated and described the new governance arrangements, including the structure of the partnership or institution, the management of risks and clarity of responsibilities for the partners so that it can be of value for other sectors and levels of governance.

A total of **115 applications** – the largest group – were processed covering several sectoral policy areas such as public administration, immigration, social welfare, research, technology, etc.

Tore Malterud was **Theme II** Leader and was supported by *Sofia Benito* in analysing these questions and writing this chapter.

Theme III – Going Green: Concrete Solutions from the Public Sector

The Europe 2020 highlights the EU’s future growth strategy for the coming decade. In a changing world, the EU has to create a smarter, more sustainable and inclusive economy. Sustainable growth in this context means being more resource efficient, greener and more competitive; this is also a challenge for the public sector.

Changes have to be triggered by:

- supporting a competitive low-carbon economy that makes efficient, sustainable use of resources;
- protecting the environment and preventing loss of biodiversity;
- capitalising on Europe's leadership in developing new green technologies and production methods;
- helping consumers make well-informed green choices.

Already today, ambitious policy objectives range from CO₂ reductions to halting the loss of biodiversity. These objectives are translated into the latest changes of the 'green' acquis of the EU, represented by more than 200 directives or regulations. Some administrations have responded to this implementation challenge with concrete and innovative ideas and practices.

In addition, public administrations are playing a decisive role in innovative solutions for their own environmental management and procurement practices. In policy fields such as waste, water, renewable energy, energy efficiency and biodiversity, 'green' innovative instruments are being developed at all levels.

In this context, under Theme III the EPSA was looking for both, showcase projects based on innovative practices in the enforcement of EU legislation by public administrations (*e.g.* a special local project on waste collection), as well as innovative examples of environmental management by public administrations (*e.g.* internal practices, procurement, awareness raising, etc.).

In total, **56 'green' projects** were submitted to the EPSA 2011. Although in comparison to the others, Theme III has the lowest (in quantitative terms) number of applications, one has to stress that many projects containing green components were also received across the other two themes, but for one reason or another were entered into Theme III.

Theme III was led by *Martin Unfried*. He pursued the set objectives in his report by providing a multi-faceted analysis of the theme and drawing some firm conclusions from it – always supported by the EPSA best practices.

For the presentation of the '*Trends in practice*' part on these three topical thematic areas and as initially announced, a common structure has been followed in order to both allow the reader to easily follow the explanations and draw comparisons. Each chapter contains an analysis of the theme in question (*i.e.* state of affairs and current trends and challenges), followed by an exhaustive assessment and overview of the applications received under each theme (*i.e.* figures and statistics), pin pointing common elements or obstacles in this field, and describing both emerging and best practices (as well as the grounds for their selection from the evaluation) when addressing these issues. Finally, by way of conclusion, the authors sketch out some key findings and messages from their respective theme research.

The second part of this publication is devoted to an increasingly important question encountered by public administration organisations during the implementation of their various established reform and modernisation projects and at the same time whilst looking for (external) recognition or support, *i.e.* how to benefit from participating in initiatives such as EPSA or what added value does it bring – as top-ranked project or by simply submitting the achievements. In this context, and under the section ‘*EPSA Testimony*’, the four 2009 Winners agreed to describe how they experienced the process and the final recognition of their projects, how they prepared for it and/or what motivation each entity had in mind when deciding to submit their project. Some mention the participation in EPSA as an element of their general plan, as a platform for disseminating successful projects, a means of establishing new partnerships or searching for external recognition (and a better image) in order to support their internal future work; while for others the participation was just a (positive) token of circumstances. Four – sometimes very personal – testimonies describe how they went through the EPSA scheme and what benefits they have drawn from it – all actually concluding in the encouragement of and invitation to other public administrations to submit their project achievements and results to this contest and subsequently share and exploit them mutually.

This part is finalised with an analysis on the public return on investment, which goes beyond a testimony, by describing a possible model for measurement or calculation of the added value of such participation, seen from an external and private perspective. The message transmitted from this contribution stresses the availability of certain tools – supported by or applied in practices – which permits the actors involved in such assignments to evaluate carefully and display presumed benefits of expenses before deciding whether or not to invest, in a transparent and meaningful way.

In conclusion, ‘*all governments are to varying degrees engaged in public sector modernisation. It is no longer an option, but a necessity, if governments are to respond to changing societal needs and to maintain a competitive economy...*’ (OECD, 2005), firm words which reflect that after 30 years of public management reforms, emphasis is still given to the urgent need to modernise and innovate in the public sector. This book shows and highlights those organisations and their practices which are ‘*playing in the European Champions League of the public sector - the EPSA*’ and using the power of innovation to transform it, thereby paving the way to 2020 for Europe.

Trends in practice

*Key findings from the EPSA 2011
experience*

Smart Public Service Delivery in a Cold Economic Climate

By Michael Burnett¹

1. Introduction and context

The pressures on public finances currently faced by public administrations across Europe are severe though not unique. For example, the United Kingdom in the 1970s, Ireland in the 1980s and Sweden and Canada in the 1990s, all faced very painful choices about stabilising public finances.

But what is unprecedented in modern times is the number of European public administrations simultaneously facing these pressures. The recognition of the existence of a crisis in public finances was provoked by the financial contributions needed to stabilise the financial services sector; though, in fact there has been an underlying trend towards gradually less sustainable public finances over the past decade arising from widely acknowledged factors such as an ageing population, a diminishing working population and increasing competitive pressures from outside Europe. These pressures have supplemented other widely recognised pressures facing public administrations, such as the need to make governments more responsive to society's needs and demands, and the need to (re-)establish trust between citizens and public administrations.

Yet expectations of citizens regarding the scope and quality of services remain high, and there are increasing demands for the customisation and personalisation of services. Furthermore, there are widely recognised limits to the extent to which tax increases can be used to stabilise the public finances, though some scope for improving tax collection in some EU Member States is also generally recognised.

On the other hand, the need to respond effectively to these challenges has never been greater – what is at stake is the preservation of the means to support Europe's social model for future generations. *'It is clear that, even with the immense efforts being made by governments to consolidate public finances and boost long-term growth rate, it will take a number of years to steer public finances back onto a sustainable path. As a result, the provision of public services and/or the quality of social protection systems risk being profoundly affected'* (European Policy Centre, 2011)

¹ Michael Burnett, a UK Chartered Accountant, is an Expert in public sector financial management and service delivery in EIPA's European Public Management Unit. He has more than 20 years experience of public sector management in 24 European countries, acted as adviser to the European Commission, national and sub-national public authorities and been an elected member of a London Borough Council.

Performance management by public administrations is a relatively mature concept in the domain of public sector management. The key concepts, such as inputs, outputs and outcomes and their impact on public sector organisations, behaviour and processes have been well documented over time, for example, by Pollit and Bouckaert (Pollit and Bouckaert, 2004). Thus, when Geert Bouckaert and John Alligan recently questioned whether it were possible to speak about public sector management without the pursuit of results and the measurement of performance (Bouckaert and Alligan, 2008), they were building on a strand of thinking which has its origins in the concepts of ‘new public management’, which came to more widely underpin practice in public administrations in the 1980s.

The key ideas of performance management based on ‘new public management’ were that:

- Public administrations should determine its corporate, divisional and service priorities and express them *via* key performance indicators (KPIs) and targets for them;
- These performance indicators should determine how public administrations should formulate their priorities;
- These priorities should then determine how public administrations should organise their activities and utilise the time of their human resources.

In surveying performance management, Bouckaert and Alligan refer to six case studies, *i.e.* those of Australia, Canada, the Netherlands, Sweden, the United Kingdom and the United States. The authors note that these were chosen to cover different cultural and politico-administrative systems (in order to enhance the validity of the conclusions drawn) although there is a strong emphasis on variations on the Anglo-Saxon tradition. Alternative approaches to public sector management, which were, not unexpectedly, noted during the process of assessing the EPSA 2011 applications, are based on the idea that compliance with legal provisions and regulatory processes represented a sufficient discharge of the responsibilities of public administrations.

A further dimension of performance management aims to link resource allocation and resource management, *i.e.* by integrating budgeting and financial management with performance management. Pollit assesses mechanisms for doing this in an article written for OECD, arguing that financial management and performance management form part of an integrated resource management framework (Pollit, 2001). This idea of performance-based budgeting has generated a broad range of literature, for example on its application in the United Kingdom and Sweden (Norman, 2008, and Küchen and Nordman, 2008).

Consideration of the need for fiscal discipline, the efficiency of financial allocation and control of the results achieved by public expenditure has also been reflected more widely across Europe, for example in analysis of the recent Italian experience in attempting budgetary reform and in improving analysis and evaluation of public expenditure (Monacelli and Pennisi, 2010).

2. Current challenges and dilemmas in public sector budget and service reviews

As noted above, public administrations face formidable challenges in the current climate which, in practical terms, amount to consideration of questions such as:

- Can they stabilise their finances while delivering the highest possible quality of public services?
- Will this mean abandoning attempts to address diversity issues (plurality of staff and service access based on gender, race, age, disability, etc.) and continuing to address the climate change agenda?
- Can they also at the same time protect employment and promote employability?
- How will their success be measured?

The context for decisions by public administrations in responding to these challenges will also be influenced by the fact that any recovery plan must have credibility with financial markets, *i.e.* that the plan is both timely and sufficient to actually deliver fiscal stabilisation. This will be far from easy where there is a hidden burden to the public finances of unfunded public sector pension liabilities and, for some administrations, such as the United Kingdom, liabilities from public-private partnerships (PPP), which represent locked-in spending even when they are not off-balance sheet (Burnett, 2007).

Three other factors are also important to the challenges facing European public administrations. Firstly, the gravity of European public finances is such that the problem is not susceptible to being corrected in one or even two years, leading to the need for a multi-year plan to set the context for, and public expectations of, future levels of public expenditure and services. Secondly, as a result, there is a near-inevitability of tension in decision-making with respect to public finances between the demands of fiscal consolidation and those of the electoral cycle. Thirdly, there may be insufficient trust in government (at any level) to gain acceptance for decisions made and there is a debate about whether or not the benefits of the use of social dialogue in the decision-making process to moderate any such lack of trust are outweighed by the pressures to make decisions urgently.

The challenges are enhanced by two specific factors. Firstly, public administrations, even at national level, are not entirely in control of the future course of fiscal consolidation, given that the ability to reduce public sector deficits rests partly on the re-emergence of the economic growth which will reduce social welfare transfer payments and generate tax revenues. Furthermore, as noted above, the current crisis in public finances was provoked by the financial contributions needed to stabilise the financial services sector. Questions still remain about the future stability of the European banking sector, and the uncertainty has not been reduced by the latest (July 2011) round of bank stress tests or current assessments of the impact on the banking sector and/or public finances of the recent (summer 2011) commitments made to attempt to stabilise the Euro.

3. Responses to current challenges

The responses to these difficult and cross-cutting challenges have led to a need to adopt a target-driven approach to the stabilisation of public finances, driven by an assessment of sustainable debt levels for a public administration, *i.e.* setting a maximum level of sustainable debt.

Underpinning this high level target is a series of choices balancing cost change with change in service standards which could mean improved service at the same or lower cost, a redefined (perhaps lower) level of service at significantly lower cost or a significantly improved service relative to the level of cost increase.

These changes to cost and service levels need to be sustainable, *i.e.* should not need to be quickly reversed, are based on intelligent analysis not ideology or, primarily, on ‘equality of misery’ (*e.g. via* across the board cost percentage reductions), will take account of any decision to ring-fence any area of expenditure, and will have a noticeable and sufficient effect to achieve the target level of cost reductions and service levels (but not necessarily the highest cost saving). Part of this will be to incorporate into the review process a safeguard against the risk that reductions in spending without careful consideration of the consequences may bring short-term benefits at the expense of longer-term costs. This could arise if cancelling or deferring infrastructure projects formed an unduly significant part of the fiscal consolidation process.

To enhance the internal credibility and coherence of changes made, two factors have emerged as being highly relevant. Firstly, the need for an internally transparent process for determining the preferred cost and service level changes in which the range of alternatives considered are clearly identified, the reasons for preferring the selected changes are clear and the assumptions relevant to how the desired changes would both lead to the desired outcome and be effectively implemented are also clear. Secondly, the need for a realistic assessment of the role which horizontal targeting such as public sector pay reductions, welfare entitlements, recruitment freezes, etc. could play in expenditure reductions, in which considerations of ease of implementation, equity and the risk of unexpected and unintended consequences are balanced.

Clearly the diversity within different EU Member States will, of course, mean that different specific approaches will be appropriate in different environments and the extent of the reductions needed and the speed with which they need to be made will influence how they are implemented. Put simply, the need to reduce spending quickly may make a strategic approach more difficult.

It is nevertheless clear that political engagement is crucial because, since key judgements about different and competing claims which arise in the budgeting process are political, these decisions must be owned and driven by politicians. This limits the extent to which budgeting may be regarded as a neutral and ‘rational’ allocation of

resources. In the current difficult circumstances, John Tizard, writing in the context of the United Kingdom's fiscal consolidation process, has pointed out that what is needed is an '*honest political debate about what the role of the state should be and what the alternatives are if the country is going to benefit from the civilising and cohering value of public services....however they are provided and funded*' (Tizard, 2010). This is particularly true when addressing the question about the reach of services to be provided, *i.e.* if public administrations can continue to provide all the services which they have historically provided.

Recent developments in the United Kingdom have raised the question of how far external transparency can impact upon budget and service review decisions, where sub-national authorities in the UK are now required to itemise all items of expenditure of more than £500 (currently circa €565) on their website or citizen participation in budgeting introduced in the city of Cologne (see EPSA 2009).

But in any event, it will be essential that the responses are forensic. Public administrations will need to carefully re-assess what services they are legally obliged to provide, what services they want to provide (as defined by political preferences and the needs of citizens), the service standards they aim to achieve and how services are to be delivered.

There are several specific ideas which have emerged about implementation of budget and service reviews in practice.

Administrations have typically undertaken a fundamental re-examination of every aspect of the way public administrations work and the continuing need for every item of expenditure, whilst aiming to eliminate all traces of waste by becoming more transparent and improving procurement practice.

Some have also introduced changes in how services are delivered between internal and external service delivery or between different types of external service delivery (*e.g.* by the third sector or by communities directly, as well as by the private sector), successful internal re-organisation of service delivery or successful introduction of shared services or other forms of cooperation between administrations.

Other ideas have included bringing excessive senior pay under control, though to some extent this is regarded as more symbolic of equality of sacrifice than a major source of expenditure reduction, and/or assessing the scope for changes in the statutory obligations of public administrations.

Thus, zero-based budgeting, long-established in the arena of public sector financial management (Pyhrr, 1977), will play a key role in the ability of public administrations to respond to the challenges of the public sector financial crisis, based on a process of matching changes in spending levels to the impact on service reach and standards, and vice-versa as well as such questions as:

- What costs would be saved if the service standard were varied in a defined way?
- What costs could be saved if the service were discontinued either totally or selectively (to particular classes of user or in particular locations, etc.)?
- What would be the impact of the change in service standards on the ability to achieve desired performance targets?
- What would be the impact of a given cost ceiling on service standards?

Thus there also needs to be clarity about the administration's performance management regime, *i.e.* how service objectives are reflected in KPIs, the targets for the KPIs and how the performance management regime might be developed.

This in turn leads to the need for a framework of indicators which are consistent with overall corporate objectives and are internally consistent, *i.e.* set at levels consistent with the achievement of objectives at all levels of the organisation. Divisional and unit targets must be consistent with the achievement of the corporate objectives. The targets set at corporate, divisional and unit levels must also be capable of being cascaded down to individual staff activity levels.

These indicators must be self-evidently based on measuring what is important about what an administration does and how it performs its tasks, be related to the objectives (outcomes and outputs) of its services, be developed from what actions/behaviours distinguish the performance of a good practitioner from an average one and which, as importantly, does not measure what is not important. The indicators must also be balanced, *i.e.* should not only measure what is easy to measure and should include both qualitative and quantitative measures, for which information and evidence of achievement or non-achievement can be gained. Thus, the commonly cited adage of 'what gets measured, gets done' needs to be qualified by a recognition that, historically, in some contexts, what has been measured is what has been easy to measure and not necessarily what is most important. The indicators should also relate to matters substantially within the control of the entity being measured.

Just as important as the indicators, are the targets for them. These need to be realistic, achievable after an agreed time period and then sustained by the majority of practitioners and operational units and by the organisation as a whole. They should also encourage improved performance by practitioners, both in the short term and over time. Not all service deliverers will perform to the same standard. The targets must therefore not be set in the short term at the expected level of achievement of the best performing individuals/units. It must be possible to identify how any improvements in performance will be achieved.

The process by which the indicators and targets have been developed should also be transparent, *i.e.* it should be possible to describe the process by which alternatives to the chosen indicators and targets for them were considered and to understand why these indicators and targets were preferred.

Finally, and of particular importance in a very difficult climate for public finances and service delivery, there needs to be evidence that, in the process of setting service objectives and targets for them, due account has been taken of diversity considerations. This specifically means that evidence that the process by which chosen indicators and targets were developed took into account (in a way appropriate to the nature of the service) levels of service to, cost of service to and access to services by, stakeholders of both genders, different ages, ethnic origins, levels of mobility and the needs of users with other potential social disadvantages. Similar considerations arise with respect to environmental sustainability, where methods used and resources consumed will also be relevant.

4. Overview and analysis of applications in the smart public service delivery theme²

In total, 103 eligible applications were received for the smart public service delivery theme. These applications are analysed in figures 1 to 4 below by country of origin, level of government, size of entity and by sector. The key points shown by these figures are that:

- The applications came from 22 different countries (with five applications from European institutions) and broadly reflected the diversity of projects expected;
- The balance of the applications also reflects the fact that, as expected, the need for budgetary and service reviews is being recognised at different levels of government, *i.e.* national, regional and local and European level and by entities of different sizes;
- The balance of applications does not fully reflect the balance of intensity of budgetary pressures across the EU. While 19 applications from Spain, 8 from Italy and 5 from Ireland reflect the pressures in those Member States, Greece is not represented; the United Kingdom, facing similar deficit (though not debt) levels to Greece is also relatively under-represented amongst the applications;
- It is not surprising that 16 of the applications are from the field of public health and social welfare, given the budgetary pressures arising in that area from demographic change and increased transfer payments which characterise an economic downturn;
- Since more than 70% (75 out of 103) applications were from entities with more than 100 FTE staff, there are questions about the extent to which smaller sub-national entities are likely to have the resources to pursue reform even when they are facing equally severe pressures to larger ones.

² In analysing these applications, it should be noted that EPSA is a competition in which participation is voluntary; EIPA therefore makes no claim that the process represents a comprehensive survey of the application of budget and service review techniques across the EU.

Figure 1: Analysis of applications by country of origin

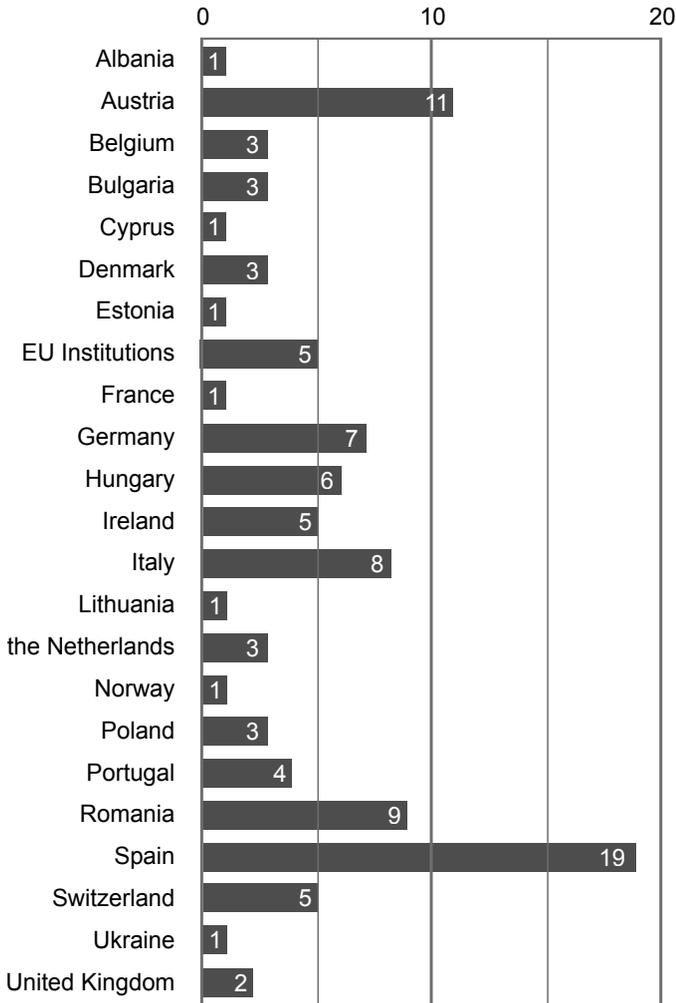


Figure 2: Analysis of applications by level of government

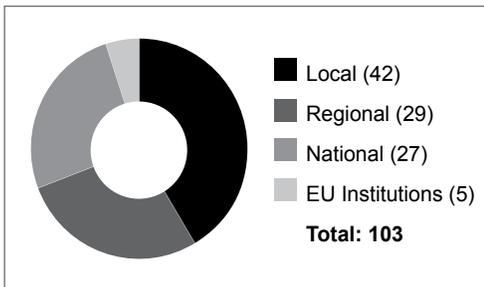


Figure 3: Analysis of applications by size of entity

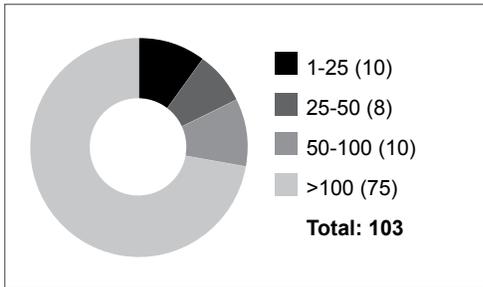


Figure 4: Sectoral analysis of applications

Information society, technology, media and audiovisual	5
Education (higher and lower), training and learning	8
Sports, youth, culture and art	1
Science, research, innovation	2
Environment, climate change, agriculture (incl. food safety) and fishery	2
Employment, labour related affairs and gender equality	4
Public health and social welfare/affairs	16
Public administration, modernisation, institutional affairs, reform	35
Economic affairs, competition, SME	9
Justice, police, human rights and security	10
Regional policy and development, decentralisation	4
Taxation, customs, finances	3
Transport and infrastructure	1
Other...	3
Total	103

5. Smart public service delivery in a cold economic climate: emerging best practice

This section analyses emerging best practice amongst the applications for the smart public service delivery theme in two categories, *i.e.* the elements of best practice demonstrated by applications which were awarded best practice certificates (including those nominated for the theme trophy)³ and elements of best practice identified amongst applicants who did not, overall, qualify for best practice certificates.

³ It should be noted that this section is not intended to be a detailed assessment of all the entries which were awarded best practice certificates and nor does it necessarily include all of the strengths of those applicants, or any limitations that they may have. It is thus not intended to be equated to a comprehensive assessment of the reasons why applicants were or were not successful in achieving best practice certificates.

5.1 Strengths displayed by nominees and best practice certificate holders

The distinguishing features of the strengths of nominees and best practice certificate holders fell into seven broad themes *i.e.*:

- Horizontal approaches to budget and service reviews.
- Securing the commitment of employees/service users to change processes.
- Cost savings through cooperation between public administrations.
- Use of technology to significantly improve service delivery and/or reduce costs.
- Development of citizen-friendly processes to optimise use of services.
- Addressing issues which are of broad concern to a large number of citizens or which are sometimes not addressed by public authorities.
- Implementation of widely recognised good practices in the budget and service reviews.

Horizontal approaches to budget and service reviews

Three of the nominees and best practice certificate holders were examples of reviews of all budgets and services across the public authority with a high degree of political direction. These included:

- A five-year reform project to stabilise the city of Mannheim's finances, politically driven from the Mayor's office but with support of other parties, to improve the delivery of public services using strategic and operational outcome-based targets and to develop a better model of future planning by improving democracy in the City Council, promoting a participatory approach with citizens and developing the city in partnership with universities and businesses. In the context of German public administrations it is a very innovative project because of its outcome-focused, authority-wide approach and the very high level of employee participation in the process. **Change² – Achieving More Together, City of Mannheim, Germany.**
- 
- A project by the city of Bilbao in Spain, politically driven by the Mayor's office, to monitor and rapidly counteract the consequences of the global financial crisis for the city. It demonstrated that high levels of investment and service delivery could be maintained in times of economic crisis/constraints (while also eliminating the budget deficit) by linking the municipality budget directly to strategic objectives and core operations and with close monitoring of outcomes. **Political Management Based on Economic Stringency and Strategic Budgets, City of Bilbao, Spain.**

- A systemic ten-year transformation programme, with strong political direction, by the United Kingdom’s largest municipal authority to transform the scope of, and delivery methods used for, a wide range of city services *via* nine different work streams and in partnership with a private sector partner. **Birmingham City Council Business Transformation Programme, Birmingham City Council, United Kingdom.**

Securing the commitment of employees/service users to change processes

Commitment of employees/service users to change processes was a key feature of several nominees and best practice certificate holders. This was achieved in different ways, including:

- Giving a no-compulsory redundancy commitment to employees over a four-year period, subject to acceptance of the need for retraining, restructuring and relocation of functions, without prejudicing budgetary and service review objectives. **Change² – Achieving More Together, City of Mannheim, Germany.**
- Securing the support of medical professionals in Lithuania for changed procedures; significant because medical professionals are often one of the more sceptical and articulate stakeholders in change processes. **Development and Implementation of Electronic Sick Notes and Maternity Leave Certificates, State Social Insurance Fund Board, Lithuania.**
- Using internal working groups to diagnose service constraints and to develop cost-effective solutions for processing of asylum seekers by the Danish Immigration Service. **The Handheld Procedure, Danish Immigration Service, Denmark.**
- Involvement by a government agency in Ireland of all stakeholders and partners in the development and implementation of user-friendly and cost-effective systems for property tax collection and, as a form of local taxation, underpinning local fiscal autonomy. **Non-Principal Private Residence Payments System, Local Government Management Agency, Ireland.**
- An integrated online business licensing service by the city of Vienna in Austria, capturing synergies and using existing tools, developed in partnership with the local business representatives. **Gewerbe-Online, City of Vienna, Austria.**



Cost savings through cooperation between public administrations

Voluntary cooperation between public administrations to achieve cost savings, even where full shared service solutions are not envisaged, is not always straightforward. Nevertheless, examples amongst the nominees and best practice certificate holders included:

- Improved public procurement *i.e* achieving reduced costs *via* cooperation between more than 900 municipalities in the region of Catalonia for telecommunication purchasing, exploiting the increased homogeneity of telecommunications services and sustainable, particularly because of cross-party political support. **Shared System for Purchasing Telecommunications Services at Municipal Level, LOCALRET, Spain.**
- Sharing of good practice in procedures for social assistance payments across a large number of Dutch municipalities, promoted by the Netherlands government. This is based on analysis of the experience of citizens, and has led to a significant reduction in the number of documents to be processed and in processing time, leading to reduced costs. It has significant potential for transferability to other national and regional contexts. **Bureaucratic Simplification of Social Assistance, Ministry of the Interior and Kingdom Relations, the Netherlands.**
- National roll out across Ireland of systems originally developed within a regional health administration of re-engineered processes for the purchase and supply to service users of incontinence products, developed in close cooperation with users, health care staff in the public, private and voluntary sectors and leading to significant cost savings, including through centralisation of service points, reduced wastage and optimised product use. **When Nature Calls - Managing Incontinence, Health Service Executive, Ireland.**

Use of technology to significantly improve service delivery and/or reduce costs

Though it is generally recognised that, in itself, new technology does not necessarily lead to improved service delivery and/or reduce costs, it can be a vehicle for doing so, as demonstrated by three of the nominees and best practice certificate holders:

- Monitoring of agricultural production by the Catalan regional government through aerial surveillance leading to reduced costs, reduced time for assessing applications and also better quality data compared to alternative means considered such as self-assessment or more onsite visits and without any need for a change in the legal framework. **High Technology at Low Cost – Management of CAP Subsidies in Catalonia, Catalan Government, Spain.**



- Significant reduction in service delivery times by the Danish Immigration Service in a politically very sensitive area (*i.e.* processing time for asylum seekers), through technological innovation supported by process analysis based on lean principles. By increasing resources only marginally, and undertaking a significant reorganisation of workflows and procedures, it was possible to handle demand peaks satisfactorily and is likely to lead to sustainable efficiency gains. **The Handheld Procedure, Danish Immigration Service, Denmark.**
- The creation of a virtual organisation for the development of digital educational resources between Norwegian county councils with no increased costs (because of re-deployment of staff), based on knowledge and application sharing between schools derived from co-created user-generated content and open source principles and covering an increasing number of curriculum areas. It has significant potential for transferability to other national and regional contexts. **Innovation in Acquisition, Development and Distribution of Digital Learning Resources, Norwegian Digital Learning Arena, Norway.**

Development of citizen-friendly processes to optimise use of services

Several projects submitted by nominees and best practice certificate holders were recognised for the way they demonstrated how citizen-friendly processes could be developed to optimise use of services, such as:

- A project by the Portuguese public administration to create a single counter service, currently available at more than 300 locations in Portugal, aimed at simplifying the performance of all the necessary formalities for the purchase and sale of residential and commercial property, including financing aspects, by reducing the need for users to contact several authorities to complete property transactions. **On the Spot House, Portuguese Registry and Notary Institute, Portugal.**
- 
- Practical implementation of one-stop-shop by a city administration with a high degree of accessibility to a wide range of data sources and a high level of user-friendliness and underpinned by process re-engineering to improve service delivery. **Tallinn City Services One-Stop-Shop, Tallinn City Services Estonia.**
 - Creation of a platform supporting integration in a single portal of information relevant for citizens provided by administrations at national and local level. It has been designed from the individual's perspective rather than that of the public authorities, offers scope for up-scaling (*i.e.* new information to be provided), has a user-friendly interface and exploits the enthusiasm for web-based interfaces amongst Danish citizens. **Borger.dk My Page, National IT- and Telecom Agency, Denmark.**

Addressing issues which are of broad concern to a large number of citizens or which are sometimes not addressed by public authorities

One of the key features of truly innovative public administrations is their ability to prioritise issues which are of broad concern to a large number of citizens and to address difficult issues sometimes not addressed by public authorities. Thus a number of nominees and best practice certificate holders gained recognition for demonstrating these characteristics, including:

- A project launched by the Romanian Ministry of Communications and the Information Society aiming to reduce the digital information gap in rural areas by improving access to information, improving digital awareness and providing ICT facilities in those areas. **Knowledge-Based Economy Project, Ministry of Communications and Information Society, Romania.**
- A project by the Italian Automobile Club to provide information on mobility for disabled people, based on stakeholder involvement from an early stage. **Web Section – Mobility & Disabled People, Automobile Club d'Italia, Italy.**
- A collaborative programme between the regional government of Catalonia and Barcelona City Council to promote social cohesion by addressing persistently and structurally high levels of unemployment in the current economic crisis, particularly amongst groups potentially on the margins of the labour market such as older displaced workers, young freelancing workers, immigrants, and women. **Get Moving Towards Employment, Barcelona Activa, Spain.**
- A project by the Upper Austria Land government addressing a service not always addressed effectively by public authorities, through a range of different tools, including portable home ventilation, and in close cooperation with patients and family members. By classification of patients into different groups, it enables them to be provided with differentiated medical treatments more appropriate to their needs, thus saves costs by being able to avoid in some cases the use of the default choice and the most expensive option, *i.e.* intensive care units at hospitals. **Optimal Care for Patients with Long-Term Ventilation, Office of the State Government of Upper Austria, Austria.**
- A project by a Danish municipality which aims to increase the self-esteem and self-reliance of citizens above 65 years old, by reinforcing their capability to perform unaided the most common and simple tasks (*e.g.* taking a bath, self-dressing, cooking, going shopping, etc.). By improving the self-sufficiency of the elderly, and involving them directly in their self-care, the project thus also helps to manage an increasing demand on public budgets. This is an example of a project which, although not entirely novel, has adopted, adapted and effectively implemented a transferable idea from another context. **Ambient Assisted Living, Fredericia Municipality, Denmark.**



- A project by the municipality of Iași in Romania to provide social support to address the sensitive issue of abandoned children, using locally based resources for the provision of social services in poor areas with deep rooted social and economic disadvantages, and which is capable of being replicated elsewhere in Europe. **DIFAIN CSA – Supervision of Children Left Home Alone, Iasi Municipality, Romania.**

Implementation of widely recognised good practices in the budget and service reviews

Many of the best practice certificate holders demonstrated key elements of widely accepted good practice in the implementation of budget and service reviews, such as:

- An approach to service delivery in health care services in a community environment by a regional health administration in Ireland which is both preventive (for example through better training of health care professionals in standardised assessment, earlier problem identification and maintenance of better clinical records) and user-focused through greater emphasis on patient rehabilitation, *e.g.* for patients with the potential to better self-manage their incontinence. **When Nature Calls – Managing Incontinence, Health Service Executive, Ireland.**
- Balancing of service improvements and reduced costs in health care procedures in an Italian hospital environment, *i.e.* addressing an increasingly important area in all public budgets for most European public administrations for the future. The project is based on re-engineered clinical procedures and improved information flows. It has reduced the need for overtime payments to hospital staff (while still achieving high levels of staff satisfaction), increased operating theatre utilisation and reduced the risk of clinical errors. **Effectiveness in Health Care – Computer System to Manage The Surgical Process, Morgagni-Pierantoni Hospital, Forli, Italy.**
- Use of volunteers by a Romanian municipality (Iași) in a financially constrained environment to deliver services for children left at home alone. **DIFAIN CSA – Supervision of Children Left Home Alone, Iasi Municipality, Romania.**

6. Elements of best practice displayed by other applicants

The majority of elements of best practice identified in the smart public service delivery theme derived, as might be expected, from schemes which were recognised through the award of best practice certificates. However, the following representative elements of best practice were identified amongst applicants who did not, overall, qualify for best practice certificates. They have been included in the report, both to ensure that the lessons of these projects are not lost simply because the projects did not happen to be prize winners and also to recognise what the projects referred to have achieved.

These schemes included a number of **horizontal initiatives** such as:

- A cross-service process for benchmarking the efficiency of the services in Dresden by comparison with similar private sector services as a basis for decisions about how to deliver services in future. **Market-Based Control of Commercial-Near Public Services by Market-Based Internal Cost-Settlement, Central Technical Services, Dresden, Germany.**
- A cross-authority, participative, bottom-up benchmarking process of 14 services by Barcelona Provincial Council, based on the principle that public service reforms cannot be undertaken without the engagement of public service managers and workers in identifying how best to make service improvements. **BQC – Benchmarking Quality Circles for Local Public Services, Barcelona Provincial Council, Spain.**
- A structural reform process of municipalities in the canton of Glarus, aimed at improving efficiency, both by reducing costs and aligning task allocation with public sector functions. **GL 2011, Canton of Glarus, Switzerland.**
- The introduction of performance measurement in a very small Hungarian municipality in the midst of a severe economic and budget crisis to maintain essential services, in conjunction with a programme of fiscal consolidation based on expenditure reductions. **A Small Central European Town in the Storm of the Economical Depression, Polgármesteri Hivatal, Hungary.**

Best practice demonstrated by **service-specific projects** included:

- A plan to optimise the use of social welfare budgets by a large Austrian city, through a reform of structures, changes in working practices, changes in the basis of budget allocations to users (recognising shared needs in some cases), enhanced inter-agency cooperation and re-direction of resources to means of social support which support independent living by users. **Sozialraumorientierung in Graz, Office of Youth and Family Welfare, Austria.**
- The application of zero-based budgeting techniques to the management of research and development projects in an Austrian Federal ministry, based on an annual review of the continuing necessity of the amount and nature of expenditure items. **Budget Information System, Federal Ministry of Science and Research, Austria.**
- The digitalisation of documents; review of work flow processes and use of web-conferencing in the court service of an Italian city, including retraining of staff whose previous roles were made redundant by the technological change. **Digit 2.0 Smart Edition, Court of Cremona, Italy.**
- A scheme to support new businesses, introduced by the tax and customs administration of an Austrian regional authority, aimed at supporting new

entrepreneurs during their first business year, focusing inspections on higher risk cases, with the medium-term aim of securing more effective compliance by businesses with the tax and customs administration. **Fair Play Project - 1st Business Year, Tax and Customs Administration, Austria.**

- Economic support for regeneration by a Belgian region through measures aimed at reducing the financial burden on companies willing to transfer land in difficult financial times and thus increasing the supply of decontaminated land. **Economic Support Measures for the Flemish Soil Remediation Sector, Public Flemish Waste Agency, Belgium.**
- An integrated platform in Catalonia for giving citizens better access to public transport information (including *via* mobile media) from 150 public transport operators, based on a high degree of cooperative working. **Mou-te – an Integrated Platform Giving Citizens Access to Public Transport Information, Catalan Government, Spain.**
- The creation of a single cantonal geographical services portal by the Canton of Neuchâtel to facilitate the broader use by the public and private sector and individual citizens of social, economic and environmental information, thus supporting more integrated decision-making and the use of a single source of information for several purposes such as spatial planning, law enforcement and environmental protection, etc. **From Geodata to Geodata Services – New Management Tools for a Cantonal Government, Canton of Neuchâtel, Switzerland.**
- A partnership between the public and private sectors and civil society in a Polish municipality to provide practical support to local projects, solve key problems in the community, such as the need for development of human capital, and contribute to the growth of local economic competitiveness and entrepreneurship. **CKI – Coordination and Information Centre, Krotoszyn Municipality, Poland.**

A third key category of innovative projects has also been identified at **European level** with a high degree of relevance to the functioning of the European Union. These include:

- The platform of the European Personnel Selection Office (EPSO) handling the complex, differentiated and high volume requirements of the European institutions for recruitment and selection procedures. **EPSO Development Programme, European Union institution.**
- The ePrior eProcurement platform developed by DG Informatics and DG Internal Market, aimed at giving practical effect to European public procurement objectives of increased transparency for procurement, simplification of procurement procedures, underpinning the internal market by promotion of cross-border bidding and improving access to public contracts for SMEs. **ePrior – The European eProcurement Platform, European Union institution.**

7. Conclusions and recommendations

The main conclusions and recommendations arising from our analysis of the applications for the smart public service delivery theme fall into four main categories.

Key messages

1. The need for a successful strategic framework for budget and service reform by public administrations

The likelihood of success of a budget and service review is linked to the clarity of objectives, *i.e.* it is essential for a public authority before embarking on a budget and service review to identify:

- what level of public sector expenditure (income, expenditure, overall debt) is sustainable;
- what level of public service delivery (services to be provided and service standards) is acceptable (taking into account legal obligations and political priorities);
- the impact of changes in expenditure levels on service standards (*i.e.* service scenarios arising from different expenditure level decisions);
- the impact of changes in service standards on expenditure levels (*i.e.* expenditure scenarios arising from different service standards decisions);
- the impact of changes in current expenditure levels on the medium- to long-term condition of physical infrastructure, the maintenance of intellectual capital and the promotion of the innovation necessary for economic growth.

This clarity of objectives is based on the ability to set priorities, including prioritising issues which are of broad concern to a large number of citizens and to address difficult issues sometimes not addressed by public authorities. It can also be based on voluntary cooperation between public authorities, such as collaborative purchasing, knowledge sharing and process coordination, which can lead to significant savings for public authorities, even where they do not involve shared services.

There is also a need to secure a wider consensus for the decisions to be made by public administrations, particularly in a difficult financial climate. Promoting citizen engagement through more and better presented information, consultation and active participation (such as through opportunities to influence the pattern of expenditure within a given envelope) continues to be key to securing such consensus and rebuilding trust in government. Co-design and production of services by users and self-management of outcomes, especially in personalised services such as social and health care, can be also effective tools for balancing cost and service reductions.

2. The importance of gaining commitment at all levels of an organisation for reform processes

Budgeting and service reviews are, in the end, political decisions, so political (and senior official level) support is essential. However, a fully-fledged process of reform in a public administration works better when it engages in its design with those responsible for making it work at middle management and operational level rather than being imposed on a top-down basis. Widespread support, even for extensive change processes, can most obviously be secured by public authorities by a commitment to the workforce of no compulsory redundancies, albeit with the necessity of acceptance by staff regarding the need for retraining, change in functions and structures and of the relocation of functions.

3. The importance of size of administration and level of government on the ability to reform public services and public finances

There is no indication *per se* that budgeting and service reviews are easier or more difficult to undertake at any particular level of government or in either centralised or decentralised political systems. Our research identified successful processes at all levels of government and in different political systems; though, in centralised states, acceptance of variability in outcomes at sub-national level arising from budget and service reviews and different means of service provision can sometimes be politically difficult.

A significant majority of the applications in this theme (more than 70%) were from larger entities, so there are questions about the extent to which, in general, smaller sub-national entities are likely to have the resources to pursue reform even when they are facing equally severe pressures to larger ones. In this sense there is a tension in the currently and foreseeable public sector financial perspective between the need for affordable and high quality public service delivery and the sustainability of large number of small public administrations in some highly decentralised political systems.

4. The importance of technological innovation in service reform

Technological innovation can, where appropriately used, result in significant improvements in service delivery standards and/or reduced costs, provided that actions consistent with the technological advance are taken (which may include more active pursuit of income earning opportunities, identification of fraud and redeployment of resources) and that user interfaces are user-friendly. In considering innovation, public authorities should actively seek out good practice from other public authorities *i.e* effective adaptation to local circumstances of good practice from other sources can be as effective as the search for ideas not previously applied elsewhere.

Two main overall lessons can be drawn from the diversity of the entries submitted for EPSA under the smart public service delivery theme, *i.e.* that striking the right balance between different elements of fiscal stabilisation and balancing short- to medium-term fiscal stabilisation and the other objectives of public administrations are not easy decisions to make and that clear strategic objectives, robust processes with clear audit trails and political support and engagement are key to maximising the likelihood of their being effective.

References and further reading

*Bouckaert, G. and Alligan, J. Routledge, **Managing performance: International comparisons**, 2008.*

*Burnett, M., **Public-Private Partnerships – A Decision-Maker’s Guide**, European Institute of Public Administration, 2007.*

*Dh ret, C. and Zuleeg, F., **Well-being 2030 - A new vision for ‘Social Europe’**, Issues Paper No. 65, European Policy Centre, 2011.*

*K chen, T. and Nordman, P., **Performance Budgeting in Sweden**, OECD Journal on Budgeting, Volume 8, OECD, 2008.*

*Pollit, C. and Bouckaert, G., **Public Management Reform – A Comparative Analysis**, Oxford University Press, 2004.*

*Monacelli, D. and Pennisi, A., **L’esperienza della ‘spending review’ in Italia: Problemi aperti e sfide per il futuro**, Paper to XXII Conferenza, Societ  Italiana di Economia Pubblica, Pavia, 2010.*

*Norman, Z., **Performance Budgeting in the United Kingdom**, OECD Journal on Budgeting, Volume 8, OECD, 2008.*

*Pollit, C., **Integrating Financial Management and Performance Management**, OECD Journal on Budgeting, OECD, 2001.*

*Pyhrr, P., **The Zero-Based Approach to Government Budgeting**, Public Administration Review, 1977.*

*Tizard, J., **40% Cuts are Political, not Economic**, Public Finance, July 2010.*

Opening Up the Public Sector Through Collaborative Governance

By Tore Chr. Malterud¹ and Sofia Benito

1. Introduction and context

1.1 The role of the public sector

The composition and functioning of the public sector and what role it ought to play is often open to interpretation, being understood in many different ways depending on political belief. In general, the public sector is that part of the state, whether national, regional or local, that deals with the production, delivery, and allocation of goods and services to all citizens and regulating the rights and the obligations of the citizens (United Nations Development Program, 1997). Although the scope of services considered as being within the ambit of the public sector varies slightly from one country to another, in most countries these services include the police, national defence, public roads, public transport, education, social services and healthcare. *The public sector has undergone substantial changes in the way it functions. The extent to which it concerns itself with the lives of its citizens has deepened as has how it faces its many challenges.* Traditionally the public sector was characterised by hierarchical structures, governed by written and unwritten rules and norms, based on tradition, not needs or effectiveness (March and Olsen, 1984).

Research on innovation in the public sector has in the past tended to focus on service delivery; there is relatively little written about innovations in governance, although there is a lot about new forms of governance but these issues are not generally discussed from an innovation perspective *i.e.* in what ways is the shift an innovation, how does the innovation emerge and how is it sustained? This is an area which is ripe for investigation and which would be informative about democracy and society, and public sector innovations. (Jean Harley, 2005)

¹ Tore Chr. Malterud is Head of Unit for European Public Administration. Before coming to EIPA in 2001, he worked as Director/Assistant Director-General in various employers and business organisations, was councillor at the Norwegian Mission to the EU in Brussels, and held the position of Director-General within the Norwegian Government. He is the author of the book 'Hverdagens Europa' (1992), and has also published a number of articles in professional publications.

1.2 Government and Governance

During the last 20-30 years the concept of **Governance** has been high on the agenda and can, in broad terms, be seen as an exercise of political authority and the use of institutional resources for managing a society's problems. The concept is not who exercises power, namely the government; but the environment and the relations within which the power is executed. It is administrative and process oriented with regulatory functions (rather than politics, which is a group of different people reaching collective decisions). Governance can be seen as a series of tasks which are all related to the environment surrounding the public sector, not just describing the tasks of the public sector but also how it operates and functions, or how it ought to operate, in relation to its environment. It also explains how the institutions, directly or indirectly, use their powers in relation to citizens and business. The tasks and roles have, however, changed remarkably over time, mainly as a result of new demands from the private sector and civil society. According to the UNDP, governance is the exercise of economic, political and administrative authority to manage a nation's affairs. It is made up of the complex mechanisms, procedures, relationships and institutions through which citizens and groups articulate their interests, exercise their rights and obligations and mediate their differences (UNDP 1997:9); *while the OECD defines governance as being concerned with* accountability, transparency, efficiency and effectiveness, responsiveness, rule of law and a capacity to anticipate future problems and issues. Both explanations are helpful in that they both speak of or imply the importance of relationship with citizens, an openness to facilitate engagement and the need to act on the fruits of that engagement.

1.3 Collaborative governance as a new concept

The issue of transparency and openness of governance is also one that has been the subject of much debate, particularly since the 1960s; much progress in opening up the activity of government to greater scrutiny has been made in this regard, though many would suggest that a lot remains to be done. It is evident that to arrive at a situation where collaborative governance is possible it is vital that there exists a public sector that facilitates and encourages public engagement in the process of decision making and implementation of policies. The notion **Open Governance** can be for instance having the legislative process opened democratically to citizens – allowing policy development to benefit from the collected wisdom of the people as a whole, with citizens adding to the creation of policy; so that government stems from emergent cooperation and self-correction among members of a community (Theoharis 1998; Lathrop and Runa 2010).

Making something more accessible to all citizens and at the same time involving them in the processes can, in general terms, be regarded as opening up the sector. When the public sector is opening up, this refers to making information held by centres of authority more freely available and easily discoverable to citizens, creating more transparency in all (or most) processes and activities, and taking it a step further to

involving civil society in decision-making processes themselves. Here use of new technology plays an essential role as a tool (Torres, Pina and Acerete 2006).

1.4 Collaboration and trust

Collaboration can be seen as the act of working together with another or others on a joint project to realise shared goals. This is done through collective determination, sharing knowledge and responsibility to thus obtain greater resources and increase efficiency. It also creates credibility (Taylor, 1982). Collaborative governance, according to the World Bank, is holding the balance between economic and social goals and between individuals and the communal goals. The governance framework is therefore to encourage the efficient use of resources and equally to require accountability for the stewardship of these resources (World Bank, 2000).

There have been many factors at play in recent times that have impacted negatively on the level of trust that exists between government and citizens. Certainly the increase in education among the population has enabled people to question more those in authority. The development of greater focus by the media on the actions of government and an increase in its willingness to publish more critical *assessments* of the public sector has contributed to levels of distrust. This has certainly been accelerated by the growth of social media such as tweets and blogs, etc. where very little control can be exercised on the contents of communications from opinion makers. A seeming constant stream of exposure of corruption scandals involving actors within the public sector from local and central government right through to *senior politicians* at governmental level has led to a measurable deterioration of trust in those charged with the responsibility to govern. Instances of inefficiency and waste of resources has also been the subject of much publicity with inevitable consequences on public perception of the public sector's ability to provide good governance. The challenge for democracy and for government at all levels in the face of distrust is a highly significant one that has the potential to erode perceptions of legitimacy and perhaps even the right to govern. This situation clearly requires a response from government which should strive towards a situation described by the World Bank where the government, its institutions, policy-making and/or individual leaders are regarded by citizens as honest, efficient, fair, credible and capable of keeping their promises (Blind 2006). In other words, trust is the 'judgment of the citizenry that the system and the political incumbents are responsive, and will do what is right even in the absence of constant scrutiny' (Miller and Listhaug, 1990: 358). 'Trust, in this regard, emerges as one of the most important ingredients upon which the legitimacy and sustainability of political systems are built' (Blind, 2006).

By using collaborative tools, increasing transparency and the degree to which citizens and businesses can take part in decision-making processes, their trust in politics will increase since they know what is being done and that they have the power to directly influence it (Bentham 1999; Christensen and Lægred 2003).

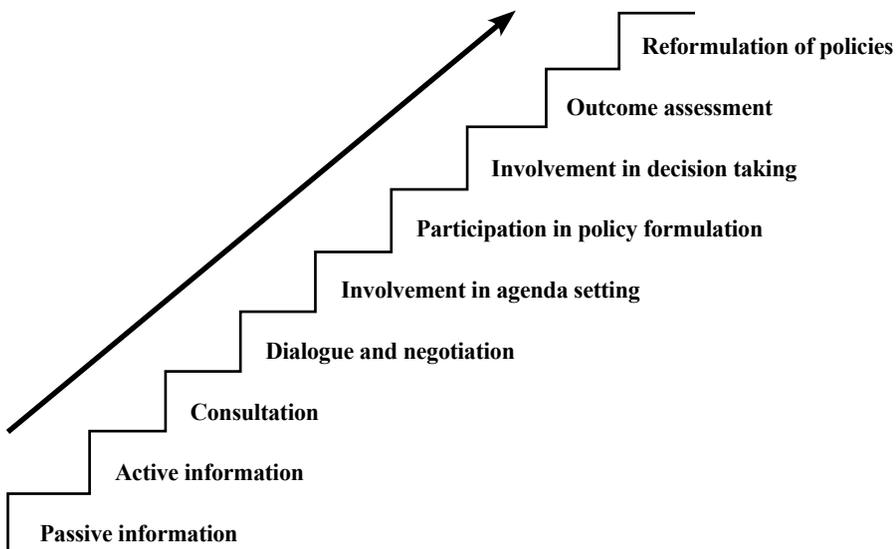
2. State of affairs: some trends

The applications confirm the involvement of citizens' in all levels of governance and in all stages of decision making, such as the agenda formulation, the concept formulation, the implementation of the policies, and finally the assessment or evaluation. These stages are often referred to as the policy cycle in the public sector.

2.1 The involvement staircase

Figure 1 illustrates the different levels of involvement. The applications to EPSA 2011 represent all steps in the staircase.

Figure 1: The involvement staircase



The following goals and tools have special significance when it comes to Open Governance and the notions are frequently used in the applications.

2.2 Transparency

Transparency is very important to the concept of open and collaborative governance, and this is one of the reasons why the internet has been such a useful instrument in achieving this goal. Many projects make use of easy access to the internet by using it as a mode from which citizens can moderate particular government or administrative processes. An example as such can be found in the Slovakian application for a project

called **Transparent Town, by Town of Martin** in which the internet plays a crucial role in transforming the administration of the town of Martin into a transparent one. In order to minimise the room for corruption and ensure transparency, the project has adopted a webpage, which is really the essence of this project. Information, decision-making processes, all town contracts, invoices, hiring of employees: basically all of the municipality's activity is publicised on this website for citizens to monitor and react to, comment on or evaluate. In particular, this project creates benefits to the public sector which appear to be more political rather than just economic or related to administrative efficiency. By implementing large-scale anti-corruption and transparency measures, this gives significant credibility to the local government and the image of being trustworthy. In this case, citizens are not engaging directly in the actual decision-making itself but in supervising the process.

This next project has also utilised the internet to allow citizens to follow the purchases of goods and services by the town *via* an online auction system in which citizens have 24/7 access to all invoices, contract tenders, procurement, etc. **MOGDy – Munich Open Government Day, by City Government of Munich** is a project delivered in partnership with three NGOs and the University which aims to encourage the use of open channels for communication. The project entailed the creation of a web-based platform that allowed citizens to 'brainstorm' on issues concerning the opening up of local government and these

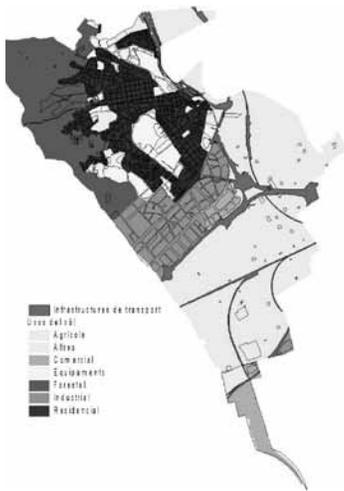


ideas formed part of the ongoing process of open government of the city. Another project that has made use of the internet for moderation is a Portuguese one called **Collaborative Budget 2.0, by Lisbon City Council**, where citizens are encouraged to take part in the planning and voting of projects on which to spend an allocated amount of the municipal budget, the last phase of which allows for the citizens to remain involved as monitors. This is done through a website created specifically for this purpose, so that citizens may see the progress of the project. The project aims to include all, to the point which it ensures other forms of non-electronic participation to include 'victims of digital divide' and ensures that there is no form of social or age dependent exclusion. It also makes special reference to the elderly, many of whose reduced mobility has prevented them from playing a new role in their city.

2.3 The use of the internet and new technology

The use of the internet and media in these projects is generally the most important element in the majority of applications received. It is interesting to note the various roles these play, in particular that of the internet. The internet is used in a number of ways. such as a means for publicising and sharing government/public sector information, as a forum for evaluation and expression of opinion, for furthering transparency by providing easily accessible information, and facts about government activities on websites.

However it can do more than simply provide information passively. In engaging citizens to join the process of government it can also act as a means of monitoring and voting on particular projects/issues for citizens, as a means of facilitating participation in decision-making and administrative processes, facilitating overall efficiency in otherwise complex and slow-going processes through active interrelationship between public sector actors and citizens, NGOs, business etc., as well as being instrumental in



providing solutions to whatever problem a project is aiming to tackle. The project from Barcelona, **The Sant Boi de Llobregat's Observatory – Virtual Space of Knowledge and Relationship, by Sant Boi de Llobregat City Council**, is one example of the use of new technology, being innovative and reflecting a new way of looking upon open and collaborative governance. The internet and social websites provide an effective means for involving citizens and thus opening up processes by sharing information and opening up government administration to public scrutiny (Petrik, K. 2010). Making relevant information easily accessible is key in absorbing civil society and the private sector into what were often previously closed (door) procedures.

Allowing a free flow of information between government, business and civil society is critical to concepts of open governance and strong democracy, and this is most efficiently and easily done through the internet. Seeing as a great majority of people in Europe have access to the internet, this is a vital medium for communication, public access to information, transparency and the overall engagement of society in projects aiming to promote open governance and opening processes up to the possibility of real engagement with society.

The internet serves several purposes as mentioned, and generally all of the projects make use of this tool in more than one way. Some examples of this will be used to illustrate the various ways in which the internet and media contribute to the ultimate success of projects aiming to open up the public sector. An innovative example of a way in which a public service has opened up to the private sector, primarily through the use of the internet, can be seen in a German project called **Little Bird – Introduction of an Interactive Search-, Allocation and Administrative Procedure for Child Care Services by Municipality of Heidenau**, dealing with the search for and admission of child care. Through the use of a webpage this project has centralised the previously difficult and tiresome procedure of searching and applying for child care, whilst at the same time decentralising the process by directly involving the parents and child care providers in the childcare allocation process.

The internet has truly been a key breakthrough, presenting a pivotal instrument in open governance, which as an easy and effective means of sharing information helps

greatly in beginning to restore trust and integrity in government, since the space is created for more democratic input on behalf of citizens. Through the use of the internet, project managers make use of the availability, interoperability and speed of online applications to simplify procedures and make them more efficient. Simply by creating one system or one webpage that can be accessed by all greatly facilitates the involvement of civil society.

2.4 The active use of media

The public sectors' use of media has changed remarkably during the last 10-20 years, both related to delivering information on rights and obligations and also in an active communication through what is referred to as new social media. **Mijn Borne 2030 – Joint Vision, by Municipality of Borne**, a Dutch project aiming to incorporate civil society in the planning of the future development of the community, made use of the media to publicise, mobilise and encourage citizens to take part in the cause. As well as the classic media, namely local and regional newspapers, the radio and television, newer forms of social media are also utilised, such as youtube, twitter, linkedin and so on. The advantage of using the newer forms of social media in projects is that rather than just publishing the progress and news of the project and aiming at advertising the cause, social websites and modes of communication allow for citizens to engage in the projects themselves; they are now able to directly comment on events, exchange views with others and ultimately, those directly involved in the project will be able to review and take into consideration public opinion on the topic. This is precisely what the Spanish project **The City of Barcelona's Food Markets Remodelling Process, by Barcelona Markets Municipal Institute**, has done, creating web pages specifically for the purpose of enabling the public to express their views on the project. In establishing open governance, it is not only important to share information in order for citizens to have an overview of what is being done, but also to allow civil society to contribute by opening up the project to public scrutiny, which is done easily through new forms of social media.

2.5 Efficiency and quality

Most of the projects under EPSA's theme II involve finding innovative ways to not only bring citizens and the private sector into processes, but also to take advantage of the opportunity to make the processes themselves more efficient. Also here the project **The Sant Boi de Llobregat's Observatory** is a good example. In order to achieve the major goal of open governance, the target processes must be transformed into being less complex, easily accessible and citizen-friendly, presenting as few obstacles as possible to encourage as many citizens and businesses as possible to engage in the given process. Usually what occurs is that in attempting to simplify bureaucratic procedures to have a wider appeal, the projects manage to reform the process to become more efficient than it previously was. For example, the Portuguese project **Civil Society Involvement in the Welcoming and Integration of Immigrants**,

by *The High Commission for Immigration and Intercultural Dialogue*, improves integration services for immigrants by creating one-stop-shops that act as units providing multiple services related to immigration in one space to better respond to the needs of immigrants. The German project **Little Bird** is entirely based on amending what was previously a chaotic, complex and disorderly process to give searching parents more control over the process of finding child care by transforming the entire process into a simpler, more efficient process. It is also advantageous to the administration (public sector), which may have to spend less on personnel for a specific task, thus freeing up their capacity for other tasks.

The internet is, of course, one of the most popular means for creating greater efficiency, though it is not the only way in which certain processes have been made more efficient. For example, the project **The City of Barcelona's Food Markets Remodelling Process** aims to conserve and improve traditional food markets so that they become more profitable, create more employment and also adapt to become more efficient and modern businesses. This in itself is done through a process of cooperation between the public sector, the private sector and citizens, to consult on how to best modernise the markets while keeping the original structures. Therefore in this case, it is not the internet *per se* that results in the greater efficiency in the running of these markets, but the dialogue and consultations that occur between these different groups and sectors to reach the best solution. The Austrian project **Policy Counselling 2.0 – How Open and Community-Based Innovation Processes Promote Policy Decision-Making**, by *Austrian Council for Research and Technology Development*, combines the quality aspect with innovation and demonstrates clear tangible results.

2.6 Social integration

Collaborative governance, by definition, collectively empowers various sectors and actors from society to take part in decision-making processes. Some of the projects highlight ways in which this extends to even more specific sectors that are not only marginalised from political decision-making processes, but within society itself. Integrating citizens in a variety of public sector and decision-making procedures is, of course, found in every application, it being part of the awarding criteria to projects demonstrating collaborative governance. Showing initiative to integrate specific, marginalised social groups within the general public takes the idea of collaborative governance further, encouraging collaboration across all levels of society and ensuring that all are incorporated and benefit from the partnership.

Some examples will be used to demonstrate different approaches to including integration in the overall aim of projects. The German project **Show Colours for Münster**, by *Office for Green Spaces and Environmental Protection*, for instance, sought to integrate civil society and the private sector into the development and preservation of green spaces in their town. This project, however, taking the ideas of shared responsibility and active citizenship further, specifically aims to also relieve

social and ethnic segregation by working in less prosperous areas and reaching out to include all in the project in order to increase the sense of community, even among those more marginalised within their society.

In fact, an entire project is dedicated to the cause of social integration through collaborative and open governance, namely the Portuguese project **Civil Society Involvement in the Welcoming and Integration of Immigrants**. As commented earlier, this project recognises the key role of civil society, and particularly migrant associations, in the question of immigrant integration. It also aims to make immigrants part of the solution rather than the problem by sharing responsibility and encouraging them to participate in the creation, implementation and evaluation of public policies in the area of immigrant integration. It therefore includes immigrants and responds to their needs in many ways. One of the examples is through the creation of one-stop-shops for this purpose, called ‘National Centres for Immigration Support’, which act as a bridge between immigrants and public administration, facilitating the integration process by engaging the receiving society in the process and adapting the services it provides; it also provides a consultative and cooperative process for working with the immigrants. Furthermore, this initiative includes what is referred to as a ‘Choices Programme’, which largely aims to reinforce the local community’s role in the promotion of equal opportunities and social cohesion for migrant children and youth, who are generally more vulnerable to delinquency. In the project, the use of National Centres for Immigration Support brings together under the same roof a number of services related to immigration, and simplifies what was previously a time consuming, complex, and costly procedure in the delivery of services related to immigration.

The final example here is the Portuguese project **Collaborative Budget 2.0**, which expands the understanding of social inclusion to not just mean those of different ethnic backgrounds, but also native citizens who are marginalised from particular processes as a result of their age. Seeking to include all in the creation and voting of projects to spend some of the municipal budget of the city of Lisbon, this project goes to the extent of providing other forms of non-electronic participation so that ‘victims of digital divide’ may still participate, thereby ensuring that there is no form of social or age dependent exclusion. This initiative makes particular reference to the elderly, for many of whom reduced mobility has prevented from playing a new role in their city.

3 Overview and analysis of applications²

We received 115 valid applications under the theme Opening Up the Public Sector Through Collaborative Governance, making it the largest of the EPSA 2011 themes.

² It should be noted that EPSA is a competition in which participation is voluntary; EIPA therefore makes no claim that the process represents a comprehensive survey of applications across the EU.

The applications are analysed and illustrated in figures 2 to 5. The applications came from 26 countries, plus the European Commission. The majority came from Spain (19), Romania (15), Italy (11) and Germany (10). They reflected the modalities for and the reasoning behind opening up the public sector. As in EPSA 2009, the majority (45%) came from the local level, 19% from the regional level and 34% from the central level, as well as 2% from the European level. Some selected projects will be described in more detail in subchapter 4.2.

Figure 2: Geographical distribution of Theme II

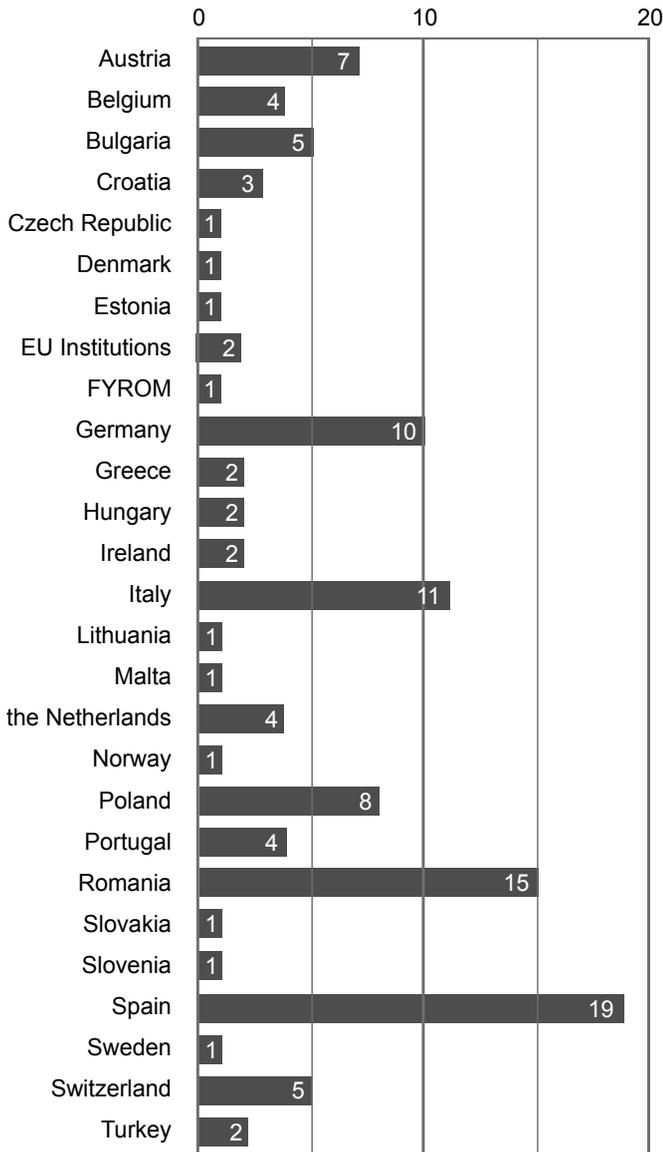
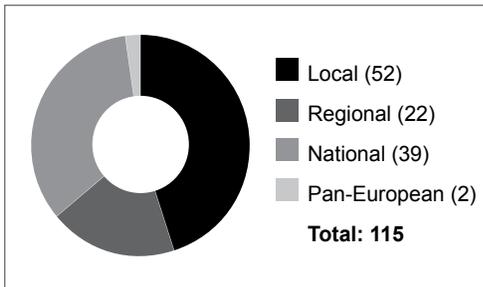


Figure 3: Level of government

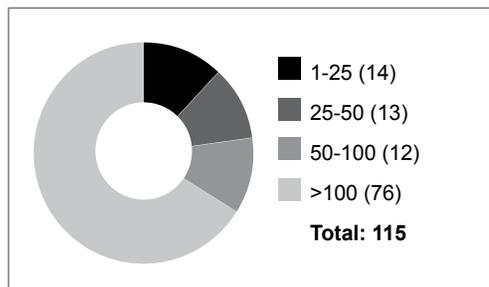


The distribution of applications across the sectors of government, show in many ways the same profile as in 2009, where a majority, not surprisingly, were related to Public administration, modernisation, institutional affairs, reform, but a number of applications can also be found under the categories Information society, technology, media and audiovisual and Public health and social welfare/affairs. In total 76 (66%) applications came from larger entities of public administration, while only approximately 12% came from entities with fewer than 25 employees.

Figure 4: Distribution under policy areas

External relations and aid, development and enlargement	1
Information society, technology, media and audiovisual	13
Education (higher and lower), training and learning	7
Sports, youth, culture and art	1
Science, research, innovation	3
Environment, climate change, agriculture (incl. food safety) and fishery	3
Employment, labour related affairs and gender equality	2
Public health and social welfare/affairs	10
Public administration, modernisation, institutional affairs, reform	48
Economic affairs, competition, SME	8
Justice, police, human rights and security	5
Regional policy and development, decentralisation	4
Taxation, customs, finances	1
Transport and infrastructure	1
Other...	8
Total	115

Figure 5: Size of entities



It must, however, be noted that a number of applications could be grouped differently than suggested by the applicant. For example, an application from a smaller entity reflecting the implementation of a policy in a larger sector of public administration could be categorised under the group of smaller entities. The distribution under **Policy Area** can for instance be seen as a combination of **general horizontal policy implementation** such as **Public administration, modernisation, institutional affairs, reform** and more specific sectorial areas such as **justice, police, public health, social welfare or taxation**.

4 Analysis of some applications and describing best practice

4.1 Specific criteria

In addition to the general criteria already mentioned, projects under theme II should contain more specific elements relative to the topic of collaborative governance and opening up of the public sector. These criteria included looking for innovative, unique, trust conducting, projects demonstrating the ways in which public administrations are successfully opening up to civil society by building on concepts of ‘open government’ and ‘active citizenship’ and to ultimately engage citizens in the provision of more efficient, transparent and effective public services.

The applications were examined on the extent to which they demonstrated a move right up through the steps of the ‘The involvement staircase’ (Figure 1) from the provision of passive information right through to the reformulation of policy following involvement of citizens in the decision-making process. In more specific terms this was to be done by demonstrating the following:

- **A willingness to open up the different phases and processes to civil society:** the extent to which these projects are actually involving and collaborating with civil society, NGOs and the private sector in specific public sector processes, allowing citizens to engage in the planning and delivery of services. This can

be done through enhanced openness in general, transparency and accountability of government and administrations, sharing information, knowledge and experience to create ownership, enable dialogue and consultation between administrations and civil society in order to find the best solutions, create instruments for feedback and evaluation by the public, facilitate citizen involvement in debating, discussing and deciding within decision-making processes.

- **A link between objectives and results, including measurement:** whether the project is able to successfully obtain the desired outcome stated, indicating the ways one can measure the degree of success. In the search for best practices, focus was also on whether the project was outcome-oriented or simply only concerned with the output. As expected many projects demonstrated the unsolved problems related to measuring outcome, since more abstract values such as quality, satisfaction and sustainability are difficult to measure in a convincing way (Feldman 1983).
- **Assessment against alternatives for collaborative governance:** recognition/ acknowledgment of the importance and value of opening up the public sector, and the necessity of involving civil society ‘to provide effectiveness, output orientation, cost efficiency and ownership in a society with growing complexity and increasing social demands’.

Governments benefit from increased information-sharing and community involvement in policy formulation, regulation and programme administration. The community can assist government by providing evidence to support decision making and evaluating service delivery performance. The projects can also be viewed through the framework of models of public administration interactions with citizens. These three models are: a managerial model, a consulting model and a participation model. These models have different frames of reference. In the managerial model the main focus is on administrative reforms with the aim of quick, efficient and user-oriented service delivery to the citizens (the NPM approach). In the consulting model the technology is a facilitating tool for communication of citizens’ opinions to politicians and policy makers; in the participating model the citizens have the opportunity to contribute to the political process through active participation in problem definition, problem solving and policy formulation. In this model ‘*interaction is regarded as constitutive democracy itself*’ (Chadwick, A. & May, C: 2003).

4.2 Selected applications

This subchapter contains more detailed description of some applications, selected since they individually represent a focused attitude towards the specific criteria outlined in subchapter 4.1.

- **Little Bird – Introduction of an Interactive Search, Allocation and Administrative Procedure for Child Care Services, Municipality of Heidenau, Germany**

An innovative example of a way in which a public service has opened up to the private sector, through complete transparency and offering open access to information, can be seen in a German project called ‘Little Bird’. The aim of this project is to create transparency and efficiency in child care management, the admission and search process, thereby easing the procedure for searching parents and reducing administrative costs. Parents participate interactively, and as a result of the transparency of the child care search, all options can be seen (rather than physically having to travel to different child care centres) and the allocation process goes through one system – making the entire process more efficient. It was also a good example of the public sector adapting a private sector model of consumer involvement in policy planning and delivery.

- **Show colours for Münster, Office for Green Spaces and Environmental Protection, Germany**

This German project demonstrated a creative approach to a classical social project. It shows how a collaborative partnership between the private and public sectors can work towards more environmental goals, involving citizens and businesses to make them part of future planning and to identify with their hometown. Administration takes a steering role in this project, which integrates various other sectors and actors – particularly citizens – in the development and preservation of green spaces in their town. This initiative, having started as a result of budgetary cuts in the Office for Green Spaces and Environmental Protection in the town of Münster, proved to be the solution to different problems on two different fronts; for the citizens who often complained about the service and provision of adequate green spaces in their city, and the politicians who would complain about the inefficiency and high costs of such initiatives to be taken on by the public sector.

- **It’s all about Kids – PPP for a School Campus, City of Vienna, Austria**

This project aimed at building a school campus through public-private partnership. With academic institutions and private businesses involved, innovative planning, implementation and financing were achieved through this collaboration. Instead of placing more focus on citizens, the PPP school campus project aimed to mainly incorporate the private sector, involving private know-how, private consultants of private companies in the project, and a private project manager. ‘It’s all about kids’ combines the use of the most innovative instruments for its implementation in both public and private sectors to best achieve the ultimate goal, and what is ultimately ‘best for the kids’. Private know-how was utilised in all phases of the project to provide the best social infrastructure.

- **Civil Society Involvement in the Welcoming and Integration of Immigrants, The High Commission for Immigration and Intercultural Dialogue, Portugal.**
They have begun to work side by side with migrant organisations to involve them in

the creation, implementation and evaluation of public policies in this area of immigrant integration. The aim of this project is not simply the integration of immigrants in Portugal, but also to integrate civil society and immigrant associations as active partners in defining social integration policies and policies to combat exclusion. Two of the examples given as ways in which this is being done are through National Centres for Immigration Support and the Choices Programme.



- **Mijn Borne 2030 – Joint Vision, Municipality of Borne, the Netherlands**
 Incorporating citizens and civil society organisations in determining the future development of the city’s community, this project encourages collaborative governance to ‘create a widely shared vision as the starting point for joint action.’ This ‘joint vision’ approach recognises that citizens, civil society organisations and government are increasingly mutually dependent; thus the power to determine the future development of the community is delegated to these two general groups. Here, the process itself is handed over to civil society organisations and citizens. The responsibility of organising the interactive process with the community to create and decide upon a vision was given to civil society organisations, which formed a steering group. Questionnaires are sent out to the public and they are then invited to workshops to determine the most important ambitions for the community. The steering group, using the citizens’ contributions from the questionnaires and workshops, then creates different scenarios for the community and the public vote on the preferred one. This is a good example of obtaining civil society participation in the formulation of future policy.
- **The City of Barcelona’s Food Markets Remodelling Process, Barcelona Markets Municipal Institute, Spain**
 In light of a wide network of markets with low profitability becoming obsolete in Barcelona, this project aims to conserve, consolidate, improve and enhance this network of markets in a process led by the administration (public sector), yet based on the dialogue and consultation with the private sector and citizens. Through this process of cooperation the markets are modernised to adapt to sanitary, logistical, and commercial and consumer requirements, whilst maintaining the unique structure of the buildings. The collaborative public-private interactions occur between the Municipal Institute of Markets, which is an autonomous body responsible for the direct management and administration of municipal markets, with the participation of representatives of the private sector, such as entrepreneurs of the market businesses and new entrants to the markets, as well as through consulting the neighbouring citizens. In order to provide a quality public service, this example demonstrates a structured process to facilitate dialogue and cooperation with all involved, in the public administrations, the private sector working in the markets or in their environment, and all in accordance with the population of the district. As is the case of other projects this illustrates very well the model referred to above as the Participating Model.

4.3 Assessment against criteria – best practice

The use of open governance in ‘Child Care Services’ from Germany, creating transparency in all child care services, has resulted in benefits for the parents, who save the time and effort of having to physically go and look for places, and are now actively involved in the admission process; for the care providers, to whom ‘Little Bird’ provides an efficient tool for planning and managing their facilities; and to the local communes, who benefit from significant personnel cost savings, thus freeing up their capacities for other tasks. The administration serves just to oversee and optimise the tasks and responsibilities; however the internal management processes are regulated independently by the parents and child care providers. With the use of this website, the allocation of child care is simplified for all those involved; the process is controlled centrally *via* the web page, but it also decentralises the process by involving the parents themselves and the child care providers. This project, like the project ‘Collaborative Governance with eCognocracy – Design of public services in Cadrete’ from Spain, could be easily transferable to other cities and communities.

The project ‘Show Colours for Münster’ from Germany, encouraging citizens to actively engage in the creation and maintenance of green spaces, ‘bridges a gap between the incompatible expectation of citizens and politicians of the municipal office for green spaces.’ The involvement that makes such a project possible occurs through various interactions at different levels, from the citizens who plant in their front gardens, streets, public playgrounds and flower beds, to the firms and businesses that sponsor the tree plantations or take responsibility for public playgrounds or roundabouts. Housing associations also participate by giving away flowers to their tenants. The citizens are mobilised and incorporated as much as possible through the use of the media to publish and report about this project, although not all communication is electronic. The entire campaign management is transparent throughout the whole process, ensuring that all participants have all the knowledge available concerning the project. This initiative is pushing for those with shared interests, *i.e.* concerning a specific community, to share responsibility. This project sees planning as a ‘middle way’, recognising the fact that there are other stakeholders – thus incorporating those other stakeholders into the planning, decision making and actual execution of municipal projects. The involvement of businesses has also allowed for greater financial investments which the city would otherwise not have been able to provide on its own. The collaborative approach leads to a sound basis for political decisions which cannot be pushed aside or ignored by politicians.

While the overall responsibility for the planning, construction and financing, described in the ‘It’s all about Kids – PPP for a School Campus’ project from Austria, as well as maintenance and non-educational operation of the project were handed over to a private partner, it was the City of Vienna who established a project management team consisting of experts from various municipal departments who, through inter-departmental dialogue, decided upon the framework and prerequisites of the project. Citizens, although not crucial to the execution of the project, are still included through

the transparent communication processes that occur and thus ensure a degree of open governance in the project. Information was made available to the public about the concept, the solution and scheme, thus indirectly involving the citizens in the process. This project demonstrates – by setting the ultimate aim of high educational and architectural quality – how clearly allocating responsibilities to public or private sectors results in the best way to achieve the best standards for a project's outcome at the best price and should be easily transferable.

The project on 'Involvement of the Civil Society on Questions Related to Immigration' in Portugal generally aims to reinforce the local community's role in the promotion of equal opportunities and social cohesion for migrant children and youth generally more vulnerable to delinquency. Recognising the key role of civil society, and particularly migrant associations in the question of immigrant integration, the High Commission for Immigration and Intercultural Dialogue has shown an innovative way of sharing the responsibility for developing immigrant integration policies and of involving those who are directly affected by these. Migrant associations are included in the creation and implementation of public policies, as well as in their evaluation, thus making immigrants part of the solution rather than the issue, thus sharing this responsibility. Although being special in its scope, the principles and methodology should also be of interest outside the sector.

The preferred scenario in the project 'Mijn Borne' from the Netherlands is elaborated in the new vision for the community, and municipal policies are then adjusted according to this vision. Communication is the key to creating and maintaining this new relationship between the local government and civil society organisations. Trust and transparency is therefore core to the project, and these are facilitated through social networking pages and the media. This way, the process is always open to society. The process of remodelling 'The Cities Food Markets in Barcelona', Spain is based on negotiation between the traders and neighbours who live near the markets, which is made possible through the incorporation of a transparent framework for negotiations and dialogue that ensures the involvement of many sectors and groups in the city. The private sector, which includes co-proprietors and co-owners of market stalls, play a decisive role in all phases of the process. They engage in direct negotiations with the Municipal Institute of Markets and other areas of the city council, and provide a crucial role, not only financially, but also in terms of experience in the food business which contributes greatly to the process of reform and improvement. For the traders of course, this project improves the profitability of their businesses, improves competitiveness, job opportunities for new entrants, and so on.

For citizens, this project is beneficial because it provides new services (such a meeting rooms for citizens, parking, home deliveries and free wifi spots), promotes the consumption of healthy foods, takes initiatives to tackle social exclusion by encouraging the presence of immigrants working in stalls, and – importantly during the whole process – takes into account the views of its citizens. These views are made easily expressible through spaces such as web pages, specifically created for the

public to put across their views. They are also directly involved in consultation with neighbourhood associations and district councils, being consulted ‘in the early stages of reform, in relation to the new services that the market can offer, and throughout the process’.

5. Conclusions and recommendations

Key messages

1. Opening up certain areas of processes to citizens

The majority of the projects use the involvement of the private sector in order to incorporate them so as to also further their own goals. Logically then, such a partnership would reflect benefits to both parties cooperating. The general trends concerning benefits for the public sector are budget and administration. Most projects demonstrate solutions that will not only benefit the citizens, but also public sector institutions in general and their administrative processes. Reduction of financial costs from particular procedures, such as child care allocation or making a city more ‘green’, is made possible through such public and private partnerships and specifically through involving and placing greater responsibility on these other actors. On the one hand, these projects and forms of collaboration grant greater influence to and encourage active involvement of citizens and more generally, the private sector. On the other hand, the result of greater involvement of these new actors under the proposed programmes results in greater administrative efficiency, as well as the financial benefits of not having to allocate as many resources to a particular area or process.

2. Active use of new social media and transparent communication attitude

The use of the internet in these projects is the most significant and important element in facilitating the overall aim of transparency in processes. In the majority of the projects, the internet forms a core element of the project itself. The access to information is key to bringing citizens into the decision-making process. In order to participate fully and engage in this collaborative partnership, the citizens must be able to access the relevant information and data. The purpose of using new technology is also to simplify processes, thereby increasing efficiency and reducing administrative costs. A side effect, which should not be underestimated, is the increased trust in the public sector since stakeholders can constantly monitor processes.

3. Social integration

Collaborative governance, by definition, collectively empowers various sectors and actors from society to take part in decision-making processes. Some of the projects highlight ways in which this reaches even more specific sectors that are not only marginalised from political decision-making processes, but within society itself. Integrating citizens in a variety of public sector and decision-making procedures is of course found in every application – demonstrating collaborative governance as the criteria for awarding a project. Showing initiative to integrate specific social groups within the general public takes the idea of collaborative governance even further, encouraging collaboration at all levels of society and ensuring that all are included and can benefit from this partnership. By involving various sectors and actors from society in working together towards a common goal, ownership is created and the acceptance of outcome will increase. In addition, ‘Barcelona’s Food Markets’ tries to encourage immigrant stalls, thereby tackling social exclusion through initiatives to encourage the presence of immigrants in the stalls and creating employment.

4. Flexibility/transferability of projects

Most of the projects claim to be flexible, easy blueprints that can be applied to various other situations either within their national context or universally. Applicants appear to have taken great initiative to present a simple yet effective project that can be applied to multiple cases. If it can be implemented effectively anywhere, there is a greater likelihood of it being considered a sustainable project.

This is not to say that it is only the exact projects themselves which applicants believe can be transferred to other places, but also the form of collaborative participation: many are positive that these initiatives will act as a prototype for future projects making use of public-private partnership.

5. Ownership

The concept of Opening Up the Public Sector Through Collaborative Governance is to shift the ownership of decisions and processes from governmental bodies to individuals or collective groups of private stakeholders in collaboration. In theory it does not change the responsibility of the decision makers, but only the level of openness during processes. As such it does not change the traditional balance of power, but secures acceptance, ownership and quality. The concept is therefore linked to democracy and the fact that societies have become more and more complex. At the same time the border line between private and public sector has weakened and the population has become more and more demanding both in terms of demanding value for money and when it comes to quality of the services. For the public sector,

an opening-up can be seen as a challenge and an unnecessary interference in the processes; but on the other hand, ownership and acceptance can avoid backlashes.

6. Make lessons learned transferable – through evaluation

‘The proof of the pudding is in the eating’ is a well known saying. Measuring and evaluating outcome is therefore essential when it comes to transferring knowledge on best practices. Many of the applications describe projects that attempt to perform impact assessment; some attempts to measure outcome can also be found. The challenges related to performance measurement are closely linked to expectations and cost-benefit analyses and the problems become obvious when it comes to measuring the political, not commercial or economic benefits of projects. Satisfaction, disappointment and mistrust cannot easily be measured, but can be clearly felt during the public processes. The core purposes of many of the projects demonstrate the understanding of avoiding these negative effects.

References

Bentham, J., Political Tactics In Blamires, M. J. C. and Catherine Pease-Watkin (ed) Oxford: *Clarendon Press*, 1999.

Blind, Peri K., Building Trust in Government in the Twenty-First Century, 7th Global Forum on Reinventing Government. Building Trust in Government. June 2007, Vienna, Austria, 2006.

Chadwick, A. and May, C., Interaction between states and citizens in the age of the Internet:’E-Government in the United States, Britain and the European Union, *Governance*, 16 (2), 271-300, 2003

Christensen, T. and Laegreid, P., Trust in Government: The Significance of Attitudes Towards Democracy, Public Sector and Public Sector Reforms, Working Paper 7. *Stein Rokkan Center for Social Studies and Bergen University Research Foundation*, 1-30, 2003.

Popper, K., The Open Society and Its Enemies, *Routledge*, 1945 (reprinted in 2006)

Taylor, J. B., Establishing Credibility: A Rational Expectations Viewpoint, *The American Economic Review*, 72, 2 : 81-85, 1982

Torres, L., E-Governance Developments in EU Cities: Reshaping Government's Relationship with Citizens, *Governance: An International Journal of Policy, Administration, and Institutions* 19, 2 : 277-302, *Vicente Pina and Basilio Acerete*, 2006.

Reconceptualising Governance, *United Nations Development Program (UNDP) and Management Development and Governance Division Bureau for Policy and Programme Support*, Discussion Paper 2, 1997.

Cooperative Governance: A Framework for Implementation, Washington: *The World Bank*, 2000.

Suggested further reading

Gilley, B., The Determinants of State Legitimacy, *International Political Science Review*, 27, 1 : 47-71, 2006

Hetherington, M.J., Why Trust Matters: Declining Political Trust and the Demise of American Liberalism, Princeton: Princeton University Press, 2005.

Krahn, H. and Harrison, T., Democracy, Political Institutions, and Trust: The Limits of Current Electoral Reform Proposals, *Canadian Journal of Sociology*, 31, 2 : 165-182, 2006.

Building Trust: Ethics Measures in OECD Countries, *Organisation of Economic Cooperation and Development (OECD) Public Management*, Puma Policy Brief, No. 7 : 1-6, 2000.

Internet Sources

State Services Commission of New Zealand, *Government*, Working Paper No. 9, 2000
Accessible at www.ssc.govt.nz/display/document.asp?docid=4549&pageno=3

UN Millenium Development Goals, *United Nations*
Accessible at www.un.org/millenniumgoals

Governance and Anti-Corruption, *World Bank*
Accessible at www.worldbank.org/wbi/governance/pubs.html

Going Green: Concrete Solutions from the Public Sector

By Martin Unfried¹

1. Context: sustainable development and climate change

Warnings about the environmental threat were expressed as far back as the 1960s. However, the concept of ‘sustainable development’ was only launched and defined in 1987 by the Brundtland-Commission (led by previous Norwegian Prime Minister Gro Harlem Brundtland). It postulates a development that ‘meets the needs of the present without compromising the needs of future generations to meet their own needs’ (United Nations, 1987). The last report from the UN’s environmental programme shows that the environmental situation has not improved since the publishing of the Brundtland report and that the present environmental challenges are more critical and complex than 25 years ago (United Nations, 2007). The urgent need for action is emphasised.

Another report from 2007 showed the economic disadvantages of a global ‘business as usual’ policy. In the so-called ‘Stern Report’ macroeconomic analysis and conclusions show that it is more cost efficient to prevent and invest in environmental projects related to climate protection than continue on the same track (Stern, 2007). The environment debate of recent years has to some extent been dominated by the international climate change negotiations. The result of the UN climate conference in Cancun (December 2010) under the Framework Convention on Climate Change (UNFCCC) was a recent international compromise covering important issues to be included as elements of future negotiations in the post-Kyoto era. Complementary to this, the EU environmental policy has been dominated during the last couple of years by climate protection issues such as energy efficiency, renewable energies and other means of switching to a low-carbon economy.

Although the concept of sustainable development was already present in the existing treaties, the Treaty of Lisbon reinforces the Union’s objective to strive for sustainability both within and beyond its borders. Article 3.3 TEU states that the Union ‘shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment.’

¹ Martin Unfried, a political scientist, is an Expert in Environmental Policy in EIPA’s European Policies Unit. He has more than 15 years experience in the field of EU Environmental Policy, acted as an advisor to EU, national and sub-national authorities.

In recent decades, the idea of ‘sustainable development’ – going beyond the traditional scope of environmental protection policy – has in particular influenced strategies and programmes in the EU. The 6th Environment Action Programme has set priorities for the years 2002-2012 and will be evaluated in 2012.² The ambitious policy objectives related to sustainable development and environmental protection range from CO₂ reductions to halting the loss of biodiversity and can be found at all levels of government. In parallel to environmental programming, the European Council of June 2006 adopted an ambitious and comprehensive renewed Sustainable Development Strategy for an enlarged EU. It builds on the Gothenburg strategy of 2001 and is the result of an extensive review process that started in 2004 (Council of the European Union, 2006). On the basis of a European Commission review of 2006, the European Council in December 2009 confirmed that ‘the strategy will continue to provide a long-term vision and constitute the overarching policy framework for all Union policies and strategies.’ The Council at the time pointed out that significant additional efforts are needed to curb and adapt to climate change, to decrease high energy consumption in the transport sector and to reverse the current loss of biodiversity and natural resources (Council of the European Union, 2009).

The notion of ‘sustainable growth’ was recently described as a focus of the EU’s future development strategy ‘Europe 2020’ for the coming decade (European Commission, 2010). In this strategy, ‘sustainable growth’ has been defined as a main objective of the EU’s future economic development. According to the European Commission, sustainable growth means in essence *‘building a more competitive low-carbon economy that makes efficient, sustainable use of resources, protecting the environment, reducing emissions and preventing biodiversity loss and capitalising on Europe’s leadership in developing new green technologies and production methods’*³

As already indicated this has a strong cross-cutting dimension and goes further than traditional environmental policy. The notion of a ‘low-carbon economy’ reflects the need for a comprehensive and fundamental change of present economic activities. In this sense, Europe 2020 is highlighting the EU’s future growth strategy for the coming decade. In a changing world, the EU has to create a smarter, more sustainable and inclusive economy. This also describes the challenge for the public sector. According to Europe 2020, the changes have to be triggered by:

- supporting a competitive low-carbon economy that makes efficient, sustainable use of resources;
- protecting the environment and preventing loss of biodiversity;

² Decision No. 1600/2002/EEC of the European Parliament and of the Council of 22 July 2002 laying down the Sixth Community Environment Action Programme states: ‘(...) *The Commission shall submit to the European Parliament and the Council a final assessment of the Programme and the state and prospects for the environment in the course of the final year of the Programme.*’

³ See: http://ec.europa.eu/europe2020/priorities/sustainable-growth/index_en.htm.

- capitalising on Europe's leadership in developing new green technologies and production methods;
- and helping consumers make well-informed green choices.

This has already had consequences in a different policy field. For example, the EU recently integrated green elements more prominently into its cohesion policy. For the structural funds period 2007-2013, the €105 billion dedicated to green projects and jobs is, according to the European Commission, three times greater than the sum allocated in the 2000-2006 budgetary period. A large part (€54 billion) is also designed to help Member States comply with EU environmental legislation (European Commission, 2009).

2. Latest developments in EU environmental policy

Also today, the debate on environmental policy and sustainable development refers again to the present implementation and enforcement of environmental legislation. This was already a focus of the 6th Environment Action Programme and has again been emphasised in recent reviews. On 31 August 2011 the European Commission released its final assessment of the Action Programme. On that occasion, Commissioner Potocnik pointed out that good results have been achieved *'[...] but not always as good as we hoped for. Better implementation of EU rules by Member States is needed to close the gap between the 6th EAP's legislative ambitions and its end-results.'* Indeed, Member States are today faced with a complex 'green' acquis, with more than 200 binding directives or regulations.⁴ The European Commission regularly describes the problems of Member States with respect to the correct implementation and application of EU environmental legislation, showing that the environment is one of the sectors with the highest number of infringements.⁵ Since all levels of public administrations play a crucial role in the enforcement of environmental legislation, this does not mean that only national administrations have to improve their implementation practice, but also the regional and local levels. The Commission's latest review comes to a surprising conclusion with regard to the nature of new environmental legislation: there was no evidence that the 6th EAP was a dominant factor behind the adoption of environmental legislation during the last decade. From the European Commission's view, this could be explained by the design of the programme which contained an unwieldy number of actions, varying both in scope and effect.⁶ Nevertheless, the action programme according to the Commission established a consensus on how best to proceed in view of concerns over competence or insufficiently robust data. Marine,

⁴ The precise number is difficult to determine due to permanent revisions and implementing acts.

⁵ See for instance: European Commission, Communication on Implementing European Community Environmental Law, COM(2008) 773 final.

⁶ European Commission, Press Release: Final assessment of the 6th Environment Action Programme shows progress in environment policy – but with shortfalls in implementation, 31 August 2011.

soil, urban and resources strategies were seen by stakeholders as having provided most impetus. Some of these had even spawned specific legislative instruments. Those on air, pesticides, waste prevention and recycling had focused to a greater degree on revising existing measures to improve coherence and to address specific gaps. There is also another interesting assessment with respect to EU objectives. The objectives set for climate change were subsequently overtaken by the dynamic policy developments in that field which were not driven by the 6th EAP. In contrast, the 2010 biodiversity target was not achieved, as strong initial commitment from MS was not matched by adequate means (European Commission, 2011).

The largest umbrella organisation of environmental NGOs, the European Environment Bureau, made its own assessment of the 6th Action programme. In July 2011, the Secretary General of the EEB, Jeremy Wates, presented these views at the informal meeting of environment ministers (Sopot, Poland). He said inter alia that there was one simple lesson to draw, namely that a regulatory approach tends to work and non-regulatory approaches (like a voluntary agreement for CO₂ Emissions of cars) did not. Furthermore, the EEB sees the improvement of implementation and enforcement as a top priority for the near future of EU environmental policy.⁷

The focus on better implementation also refers to other important EU legislation relevant to environmental policy. In particular, the implementation of public procurement rules is regarded as a very important instrument to trigger a ‘smart’ economy. Some administrations at all levels have responded to both challenges with concrete and innovative ideas and practices.

3. Overview and analysis of applications in the Going Green theme⁸

EPSA 2011 asked administrations to present innovative practices in the field of sustainable development and environmental policy and legislation. Administrations were invited to present their concrete contribution to make sustainability real.

3.1 The criteria for green projects

In addition to the general criteria for the assessment of the applications, special criteria were formulated with respect to the environmental challenges: a strong link between innovative projects and EU environmental legislation or EU environmental objectives; a convincing balance of environmental measures and cost effectiveness; and a clear strategy for internal and external communication and awareness raising.

⁷ Speech by Jeremy Wates, Secretary General, EEB, at the informal meeting of environment ministers in Sopot, Poland, 10-12 July 2011.

⁸ It should be noted that EPSA is a competition in which participation is voluntary; EIPA therefore makes no claim that the process represents a comprehensive survey of innovative environmental projects across the EU.

The applications received under the Going Green theme represent the variety of approaches at all levels of administrations. The most frequent applications dealt with:

- A comprehensive approach towards green public procurement practices. **ÖkoKauf Wien – EcoBuy, City of Vienna, Austria.**
- Searching for alternative financing for environmental projects by involving a wider public and cooperating with schools and universities. **More Forest for More Life, Arad County Council, Romania.**
- Establishing long-term programmes and strategies at the municipal level for sustainable development and climate protection with a holistic character, tackling in particular the most difficult sectors. **The Barcelona More Sustainable City Council, Barcelona City Council, Spain.**
- Developing a sustainable energy action plan in accordance with the Covenant of Mayors. **Sustainable Energy Action Plan, Municipality of Udine, Italy.**
- Integrating biodiversity aspects in spatial planning with a view to land value. **The SITxell Project, Barcelona Provincial Government, Spain.**
- Establishing environmental management in difficult policy sectors. **Ministry of Defence of Cyprus Strategic Environmental Plan, Ministry of Defence, Cyprus** and **ERDF102 - Energy Smart Authority, Malta Housing Authority, Malta.**
- Organisational reform and policy changes in the field of water management. **Porto, a Water Sensitive City – Sustainable Management of Urban Water Cycle, Águas do Porto, Portugal.**
- Special instruments to stimulate the application of renewable energies. **Subsidised Loans for the Purchase and Installation of Solar Thermal Collectors by Households and Residential Communities Programme, National Fund for Environmental Protection, Poland.**
- New forms of public awareness raising and education for environmental needs. **Get Informed, Be Aware and Protect, Bucharest City Hall, Romania.**
- Improving the implementation of legislation in the field of waste and water policy. **Integrated Waste Management System in Cluj County, Cluj County Council, Romania** or **Construction of a Non-Drinking Water Network in Viladecans, Municipality of Viladecans, Spain.**
- Introducing instruments as PPP in environmental projects. **Radical Innovation in Energy Policy and Management of Towns and Cities in the Province of Barcelona. The Public Private Partnership (PPP) as an Opportunity for an Effective Climate Protection Policy, Barcelona Provincial Council, Spain.**

- New instruments for stimulation of energy efficiency in the building sector. **Complex Thermo-Modernisation of Education Institutions Buildings in Radzionków Gmina (Municipal Commune), Radzionków City Council, Poland.**
- Improving the communication side of broader environmental programmes, such as national climate protection programmes. **Klima:aktiv – Going Green: Buildings, Mobility, Energy Efficiency, Renewable Energies!, Austrian Energy Agency, Austria.**

In total, 56 eligible applications were received for the Going Green theme. These applications are analysed in figures 1 to 4 below, by country of origin, level of government, size of entity and by sector.

The key points illustrated by these figures are that:

- The applications came from 17 different countries and broadly reflected the diversity of current environmental projects being implemented by public administrations across the EU. However, the high number of projects from Spain and Austria does not necessarily mean that more environmental projects are undertaken in these countries than in others.
- The applications also reflect the fact that, as expected, innovation in environmental policy is being tried out at different levels government, *i.e.* national, regional and local, and also at pan-European level and by entities of different sizes.
- It is in particular the local level that is now taking responsibility in sectors that have in the past been seen as tasks for national or regional authorities (energy policy, transport policy).
- Many projects were related to climate change, which was to be expected. The issue plays a very important role at all levels of public administration.
- Interestingly enough, biodiversity plays a minor role, which reflects perhaps the general lack of prominence of the field over the last couple of years. In 2011, the Commission is trying to set biodiversity questions more prominently on the agenda.
- The rather weak participation of German (2) and Dutch administrations (0), certainly does not reflect ignorance within the two countries with respect to green solutions.
- A remarkable number of applications came from very small administrations with fewer than 25 FTE staff (7 out of 56). It is not surprising that the majority of green projects have been undertaken by larger administrations (45 out of 56).

Figure 1: Analysis of applications by country of origin

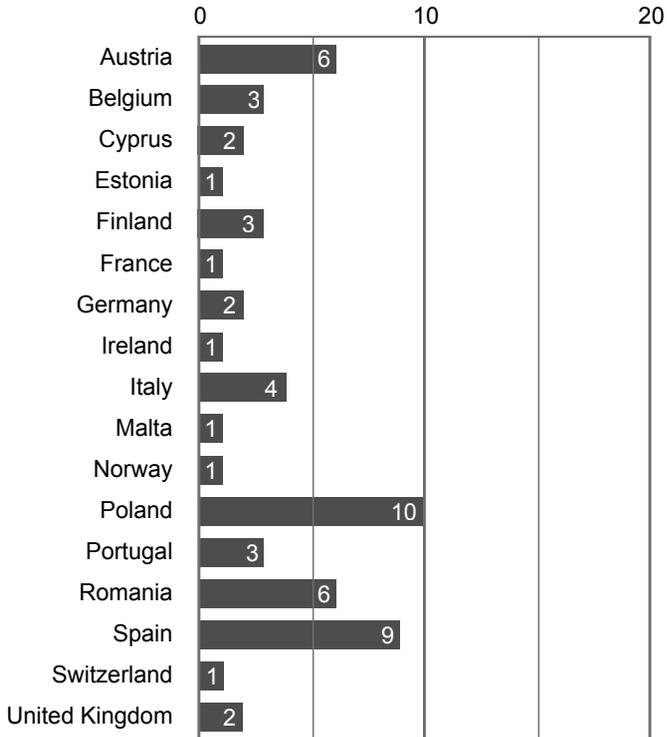


Figure 2: Analysis of applications by level of government

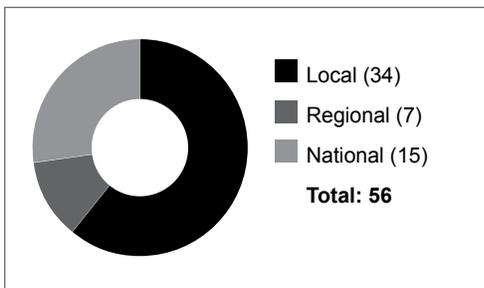


Figure 3: Analysis of applications by size of entity

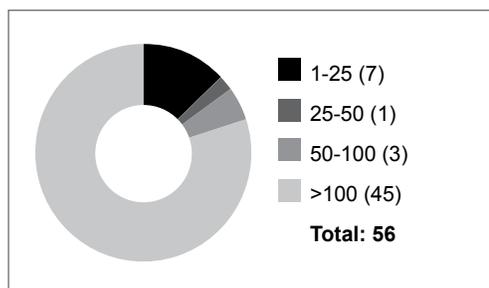


Figure 4: Sectoral analysis of applications

Green Public Procurement/PPP for environmental projects	3
Long-term sustainable development plans/strategies of towns	6
Nature conservation/reforestation	2
Specific projects on renewable energies and energy efficiency	8
Internal environmental/sustainable development strategies in public administration/EMAS	8
Stimulating sustainable development in the construction sector	3
Communication campaigns/awareness raising/e-governance tools/culture	12
Stimulation of clean technology/e-mobility	2
Innovation in waste policy/nuclear waste policy	6
Innovation in water policy	5
Institution building (cross-border environmental agency)	1
Total	56

The biggest number of applications presented broader strategies in the field of communication and awareness raising for environmental protection and sustainable development. This corresponds with the widespread understanding that modern policies need to have public acceptance. The campaigns are directed towards citizens as well as towards private companies.

Another large number of applications came from towns that have developed a long-term strategy for sustainable development or climate protection. These strategies and programmes are to some extent highly sophisticated with a very concrete long-term investment programme (*Miljøpakken, City of Trondheim, Norway*), or very comprehensive sustainability strategies (*The Barcelona More Sustainability City Council Programme, Barcelona City Council, Spain*).

Many applications were also presented with respect to the internal environmental performance of administrations. Despite the fact that environmental management and

audit schemes (like the EU EMAS regulation) have been discussed and established many years ago, more administrations are only today exploring the possibilities of becoming real forerunners and setting an example for the private sector. This is in particular true for new Member States of the EU where the EMAS has so far not been applied much. Interestingly enough, some applications dealing with EMAS were environmental administrations, but also ministries with other portfolios (Cypriot Ministry of Defence). Until now, it has been difficult within administrations to spread the example of EMAS and to leave the realms of environmental administrations who have very often been pioneers. The EPSA examples seem to show a new trend towards all different types of administrations. Besides EMAS, there are more instruments for improving internal environmental performance. The applications show that administrations also develop very specific internal information and awareness-raising campaigns without using EMAS.

There were also many applications with special projects dealing with renewable energies and energy efficiency. These range from traditional subsidy programmes (*i.e.* for solar collectors) to special photovoltaic programmes for specific sectors (building of certain administrations). It was rather striking that there was a very low number of applications (3) presenting energy efficiency programmes for the electricity sector. This also seems to confirm the general experience that renewable energies are easier to tackle than energy efficiency.

Energy efficiency plays a role with respect to projects in the building sector. There were three applications dealing with the stimulation of energy-efficient constructions and buildings.

With respect to different environmental media, six applications dealt with the stimulation of better waste policies; five with water policy mainly focusing on water saving; one project (**Porto, a Water Sensitive City – Sustainable Management of Urban Water Cycle, Portugal**) combines a water-saving project with energy saving and goes beyond the borders of one single policy field.



It is probably a surprise that only two applications deal with the promotion of green technology: one concentrates on the stimulation of e-mobility (**Lebensland Kärnten, Austria**); the other aims at different green technologies (**Masterplan Cleantech, Federal Office of Professional Education and Technology, Switzerland**).

4. Going Green: emerging best practice

This section analyses emerging best practice amongst the applications for the Going Green theme in two categories *i.e.* the elements of best practice demonstrated by

applications which were awarded best practice certificates (including those nominated for the theme trophy)⁹, and elements of best practice identified amongst applicants who did not, overall, qualify for best practice certificates. Climate change issues very much dominated all different applications.

4.1 Strengths displayed by nominees and best practice certificate holders

Successful incorporation of green procurement practices into all branches of an administration

Amongst the 11 projects that were awarded a best practice certificate, two dealt explicitly with green public procurement projects (*i.e.* **ÖkoKauf Wien – EcoBuy Vienna, Austria**, or **The ECOGPPxLA: Implementation of ECODESIGN in Green Public Procurement of Urban Furniture for Local Authorities, Barcelona Provincial Council, Spain**). In addition, in some broader sustainable development projects green public procurement was also an important element (*i.e.* **The Barcelona More Sustainability City Council Programme, Spain**). This reflects the increasing importance of the instrument, which is also underlined by the activities of the European Commission (Green Public Procurement handbook, help desk, information tool kit). According to Environment Commissioner Janez Potočnik, green public procurement ‘has a key role to play in the EU’s efforts to become a more resource-efficient economy. It can help stimulate a critical mass of demand for more sustainable goods and services which otherwise would be difficult to get onto the market.’¹⁰ The importance of Green Public Procurement in the field of energy and climate has been explicitly emphasised by the recent objectives formulated by the European Council. According to European Council conclusions from 4 February 2011, all Member States should include energy efficiency standards, taking into account the EU headline target in public procurement for relevant public buildings and services (as of 1 January 2012). In this respect, some administrations in the Member States already took the lead many years ago and developed comprehensive approaches towards their own procurement practices.

‘ÖkoKauf’ in Vienna as a European front-runner

In this sense, a very impressive project was the green public procurement programme of the City of Vienna (Austria) under the heading ‘ÖkoKauf Wien’ (**EcoBuy Vienna**). As a real pioneer the administration developed during the last decade a sophisticated method

⁹ It should be noted that this section is not intended to be a detailed assessment of all the entries which were awarded best practice certificates and nor does it necessarily include all of the strengths of those applicants, or any limitations that they may have. It is thus not intended to be equated to a comprehensive assessment of the reasons why applicants were or were not successful in achieving best practice certificates.

¹⁰ See: Statement of Janez Potočnik at the Green Public Procurement Homepage of DG Environment, http://ec.europa.eu/environment/gpp/index_en.htm

of analysis of green products as well as an internal system of integrating the work on green public procurement into all divisions of the administration. This involved internal experts developing a sort of service package for all procurement practitioners. Long before national administrations or the European Commission started, standard texts for invitations to tender, criteria catalogues and other guidelines that can be used in the field of procurement were being developed and regularly updated. By now in the administration of the City of Vienna, there are about 100 such product catalogues for supply, construction and other services regularly procured by the City. This is much more than any other national or EU programme has delivered so far.¹¹ In this respect, ‘ÖkoKauf’ has been a blueprint for activities of the European Commission and many other administrations in Europe.



Ownership as a priority: involvement of a broad number of practitioners

Ownership is an important element of a successful strategy of green procurement. In this respect, the ‘ÖkoKauf’ project has ensured the cooperation of many procurement practitioners and gained support for their work. It is especially remarkable that within the administration, a broad structure was established which involves more than 200 experts from all spheres of the Vienna City Administration as well as a number of external experts. The current 25 working groups develop, evaluate and update relevant ecological criteria in the fields of printing and paper, electrical and electronic appliances, construction, vehicle fleet, food, disinfectants and cleaning agents, textiles and events.

Information and public relations as an important element

Another very important aspect has been the spread of information within the administration and to a broader public. Discussing technical standards is only one element of a successful green public procurement strategy. In Vienna, ‘ÖkoKauf’ also integrates information and public relations as an important part of the project. For this purpose, advisory committees to support the working groups have been established for public relations and legal issues. Intensive public relations work helps to make the results of ‘ÖkoKauf’ Wien available to all interested parties, such as public procurers, commercial enterprises and the citizens.

The provision of legal certainty

Public procurement practitioners have to deal with many legal obligations coming from the national or European level. Legal uncertainty can in this respect be a major obstacle to progressive green procurement. The European Commission has also

¹¹ Austria as a country, for instance, had only 16 product groups in its national scheme (in 2010) on green public procurement. See: AEA Report 2010: Assessment and Comparison of National Green and Sustainable Public Procurement Criteria and Underlying Schemes, (available on http://ec.europa.eu/environment/gpp/studies_en.htm).

experienced this over the last couple of years and tried to support administrations with legal and technical help (*i.e.* with the already mentioned helpdesk and handbook). In this respect, ‘ÖkoKauf’ provides an important service for practitioners. Before being published, the results of the ‘ÖkoKauf’ Wien programme are legally reviewed to ensure they can be applied without any problems.

The demonstration of concrete results

According to the project management, cautious calculations of the outcome of ‘ÖkoKauf’ Wien revealed that by applying the programme results, the City of Vienna saves about €17 million and 30,000 tonnes of CO₂ emissions each year.

Another procurement approach: progressive green procurement for specific products

In addition to the introduction of broader measures to stimulate green public procurement, administrations also try to promote the introduction of eco-friendly products with respect to a very specific product group. An interesting example was the **ECOGPPxLA: Implementation of ECOdesign in Green Public Procurement of Urban Furniture for Local Authorities, from the Barcelona Provincial Council, Spain**, with respect to the eco-design of urban furniture for local communities.

From design to eco-design

During the last 20 years, the urban furniture programme of the Barcelona Provincial Council has been very innovative, for instance in 1996 and 2004 with the stimulation of a new bench design (accessibility, ergonomics, certified wood). In 1999 the programme introduced a selective litter bin with several compartments (organic, inorganic and batteries). Currently, the three main elements in the urban furniture programme are training and health spaces for the elderly, benches and litter bins. During the current term of office (2008-2011) a total of 290 local authorities are benefiting from 7796 units of these urban furniture products which are 100% subsidised by the *Diputació*, amounting to the value of €3,206,924.96. In all these elements, Green Public Procurement (GGP) criteria have been used in order to select materials and products with low environmental impact but with high quality performance, for instance: requirements related to the use of renewable materials (certified wood), end of life product recyclability, substitution of hazardous substances or durability and extended function. The latest innovation of the urban furniture programme focuses on eco-design and lifecycle criteria. Eco-design allows a product’s environmental impact during its whole lifecycle to be minimised (from raw materials extraction, production, use and end of life waste management/disposal). These criteria have been used to select concrete products like a litter bin made of 100% recycled plastic. More than 1000 units of these litter bins have been purchased by the *Diputació* and distributed in 2010 among 75 local authorities. The experiences will from now on be used for the procurement of other urban furniture: benches, bollards, planters, cycle path dividers, fountains, fences, and tree surrounds.

‘Branding’ as an innovative instrument for comprehensive climate change programmes

Information and communication is an essential element of environmental policy. This was very often highlighted by the European Commission and led to specific information requirements as part of environmental legislation (*i.e.* in the water framework directive, Habitats directive, especially with the information directive). Cross-cutting policies such as climate protection are to a large extent dependent on the acceptance of citizens and the private sector. In this sense, communication is a decisive element of broader national climate protection strategies or programmes. A very special communication tool has been developed within the Austrian Government by the Ministry of Agriculture, Forestry, Environment and Water Management (hereafter referred to as ‘Environment Ministry’). The Environment Ministry has introduced the national brand ‘klima:aktiv’ (active for climate) for climate change activities, which spreads across many different sectors, reaching public administrations in municipalities and educational institutions, as well as companies and individual citizens. Branding in this sense is an essential part of the communication and awareness-raising campaign for climate protection. ‘Klima:aktiv’ in this sense is a campaign and a brand used for very different purposes. It is, for instance, a quality label for certain products or services: in this respect, it is unique in Europe. The campaign for ‘klima:aktiv’ is an essential part of the Austrian climate change programme. The activities under the brand ‘klima:aktiv’ are grouped in accordance to thematic clusters:

- energy efficiency;
- buildings;
- transport;
- and renewable energy sources.

Those target group programmes operate in strong cooperation with existing local and regional activities. From this point of view, it shows a very important element of comprehensive climate change policy. With activities at all levels of government, it is essential that single activities from the national level are complementary to regional and local efforts. In this respect, ‘klima:aktiv’ is remarkable. It is an offer to other administrations to use the brand (logo and other communication tools) and the services of ‘klima:aktiv’. Some examples of the programme: it provides online information platforms related to green products directly to empower consumers, companies and professionals (*i.e.* topprodukte.at). In this respect it serves as a label for eco-friendly products. The ‘klima:aktiv’ campaign participates in about 1500 events every year at all levels, which is only possible thanks to it having such a broad network at its disposal. In 2010, a tour around Austria to promote green solutions was organised to inform the citizens as well as the media about the benefits of climate friendly mobility such as cycling and public transport. The campaign is also developing new media events (Minister drives up a mountain with an electric bike) using the brand. This includes an annual ‘Climate Protection Award’ to recognise exceptional

innovation, personal dedication and technical achievements in climate protection. Due to several broadcasts, advertisements and commercials a total number of 14 million customers got in contact with the brand. The media work has furthermore shown that this has an influence on public awareness. According to the ministry, the programme fostered a change in public awareness concerning climate protection. Already in November 2009, 36% of Austrians recognised the brand and associated it with a variety of positive attributes: economic, positive, modern, dynamic, and ecological.

The rather unique feature is the use of one brand for so many different climate protection activities. These include activities such as tailor made technical consulting and support for companies, investors and public administrations, cities, communities and regions, tourism, leisure and youth, schools (on mobility management, energy-efficient production, energy-efficient business buildings, energy-efficient procurement). A further innovative aspect is the integration of 'klima:aktiv' as a label in the education sector. 'Klima:aktiv' provides the qualifications needed in the thematic programmes and coordinates training and education in the various fields (further training on solar heating, heat pumps, biomass, the 'k:a' building standard for plumbers and planners; training for renovation consultants; trainings in eco-driving, etc.) It has also established a nationwide quality standard on energy-efficient buildings with the brand 'klima:aktiv'. The brand works with the concept of partners: 220 business partners serve as multipliers for the transformation; 1700 mobile partners implement measures; and 5000 so-called competence partners were trained.

Comprehensive long-term sustainable development programmes in cities

A remarkable number of applications came from cities that presented comprehensive long-term sustainable development programmes. This reflects the important role that towns and cities play with respect to the challenges of sustainability and climate change. The role of municipalities and big cities has been emphasised by many reports. An OECD review in 2009 on climate policy came to the conclusion that 'there is significantly greater potential for experimentation at local scales, which in turn can be a testing ground for national governments' (OECD, 2009). The advantage of ambitious local activities would be that where they are successful, such experiments can provide an essential evidence base with new forms of policy, as well as opening up the possibilities for broader diffusion in other urban areas or possibly nationally. Against this context, an increasing number of cities have started to very actively develop and implement their own sustainability and climate change programmes. This is very often linked to earlier initiatives in the framework of the Local Agenda 21. There is evidence – also with respect to the EPSA applications – that the membership to a network of local authorities in the field of sustainable development supports proactive policy. The three towns who were awarded with a certificate are members of local sustainable development networks, such as the

Covenant of Mayors, or ICLEI, and have signed the Aalborg commitment.¹² This is certainly one reason for the comprehensive approaches chosen and, to some extent, streamlined strategies. There are similar elements in the three programmes which are of course related to the intensive exchange of knowledge with other European municipalities.

Figure 5: Comparison of three long-term city programmes

	Tampere	Barcelona	Aberdeen
Type of strategy/ programme	Low-carbon and carbon-neutral urban structure and sustainable business	Public Commitment to Sustainability 2002/2012	<ul style="list-style-type: none"> • Climate change action plan 2001 • Carbon Management Plan 2004 • Aalborg Commitment 2004
Main objectives	Sustainable urban structure and business	Low-carbon economy	Low-carbon economy
Context	<ul style="list-style-type: none"> • Aalborg commitment • Covenant of Mayors • Link to Local Agenda 21 	<ul style="list-style-type: none"> • Aalborg commitment • Covenant of Mayors • Link to Local Agenda 21 	<ul style="list-style-type: none"> • Aalborg commitment • Covenant of Mayors • Link to Local Agenda 21
Priorities	Greening mobility and buildings	Green procurement	Energy-related projects, buildings, green procurement
Special features	The aim is to decrease greenhouse gas emissions by more than 20% by the year 2020 and 30% by the year 2030. The long-term target is to reduce greenhouse gas emissions by 80% by the year 2040.	The emphasis on the involvement of key actors and the communication and awareness-raising channels (newsletter, website, training and specific campaigns)	Cross-party consensus and support for the programme.
Results	Started in 2010	<i>i.e.</i> €43 million spent in 2009 in green products and services, as well as €92 million on large economic weight 'greened' contracts	<i>i.e.</i> concrete CO ₂ reductions

¹² The 10 Aalborg commitments that refer to: 1. governance; 2 local management towards sustainability; 3. natural common goods; 4. responsible consumption and lifestyle choices; 5. planning and design; 6. better mobility, less traffic; 7. local action for health; 8. vibrant and sustainable local economy; 9. social equity and justice; 10. local to global. See: www.aalborgplus10.dk/media/pdf2004.

In all the three projects, there is a strong focus on creating an open process with intensive involvement of citizens and stakeholders that is based on the earlier Agenda 21.¹³ In all three cities a Local Agenda 21 process has already existed there for many years. This means that stakeholder and citizen participation has already been established and is continued with respect to the new initiatives. Moreover, there is a second focus on structural changes within the administrations in order to integrate sustainability and climate change into the practices and management routines. This also reflects one of the main features of the ‘Aalborg commitments’ that were signed by all three. Governance questions and management routines are major points within the Aalborg context. The first two out of ten Aalborg commitments refer to changes in this field.¹⁴ The City of Tampere for instance deliberately situated the project management for ‘ECO2 - Eco-efficient Tampere 2020’ not in the environmental administration, but in the Central Administration, in the Economic and Urban Development Department (study visit). This reflects also the present trend to make sustainability and climate change policy a cross-cutting task by doing away with the idea that it is mainly a subject for environmental administrations.

All three projects have also defined local objectives that are linked to an international commitment in the energy field. There is also a streamlining element with respect to the objectives set in the field of climate protection policy. The cities are signatories to the Covenant of Mayors. The signatories aim to meet and exceed the target of 20% CO₂-reduction by the year 2020 (base year 1990) in order to fulfil the EU’s 20% obligation. For this purpose, they have to develop a sustainable energy action plan.¹⁵ The European Commission launched the Covenant of Mayors in 2008 to endorse and support the efforts deployed by local authorities in the implementation of sustainable energy policies. The underlying idea is that local governments play a crucial role in mitigating the effects of climate change, all the more so when considering that 80% of energy consumption and CO₂ emissions is associated with urban activity.¹⁶

It is evident that all three projects are based on a solid evolution of sustainable development actions in the particular cities. These cities have also played an important role within the international networks of municipalities and have obviously benefited from the exchange. These international networks of municipalities and their initiatives provide a strong framework that supports all the three front-runner cities. In this sense, the presented projects are entirely embedded in the overall strategies of the EU, for

¹³ The Cities of Wroclaw and Plonsk (Poland) also presented projects that deal in a broader sense with low-carbon economy or sustainability. Since the two only recently started, it was not possible to assess whether they have matched the expectations.

¹⁴ The first two Aalborg commitments are: 1. We are committed to energising our decision-making processes through increased participatory democracy. 2. We are committed to implementing effective management cycles, from formulation through implementation to evaluation. See: Final version of the Aalborg Commitments, <http://www.aalborgplus10.dk>.

¹⁵ The City of Udine has also signed the Covenant of Mayors and has presented as an EPSA project the creation of such a sustainable energy plan.

¹⁶ See the presentation of the Covenant of Mayors on www.eumayors.eu.

example, referring to absolute greenhouse gas reduction targets. Moreover, they do not stand for their own, but reflect the experiences and debates of municipalities over the last decades. With the Aalborg commitments, they also refer to a clear vision of greening the administrative routines in a comprehensive way. It is no surprise that highly practical questions such as green procurement play an important role, or that the projects are also implemented in the tradition of the Agenda 21, with the idea of a sound involvement of citizens and stakeholders. In this respect, the remarkable feature of the three is that they are formulating implementation strategies for ambitious sustainable development targets based on earlier commitments, strategies and experiences. Of course, each of the three administrations has its own priorities and local background, but the framework is very much European.

Ambitious reform of water management and combining different objectives

Water as a symbol of urban sustainability is an important feature of the project **Porto, a Water Sensitive City: Sustainable Management of Urban Water Cycle**, a strategy adopted in 2009 by the Municipality of Porto (Portugal). Sustainable water use is of course also serving the needs of citizens and helping to create conditions for well-being. In this respect, the 'Porto, a Water Sensitive City' programme is an example of good practice in regional development and spatial planning, aimed at efficient use of water and energy resources and as well as environmental enhancement of sustainability excellence areas (coastline, river network, artificial soils). Water loss is a meaningful indicator of the global efficiency of a water company. In 2006, the Municipal Water Services in Porto (Portugal) purchased 104,000 m³/day of water but only 48,000 m³/day was billed to customers. In October 2006, the Municipal Water Services were transformed into the municipal company *Aguas do Porto*, with additional responsibilities: storm water system and rehabilitation of urban streams and beaches. Therefore, the urban water cycle as a whole was put under integrated management, in order to create a water sensitive city. The Porto project is an outstanding example of how structural changes (in this case of the municipal water authority) could be combined with new policies and innovations. One core element of this new policy has been transparency within the organisation and moving towards a broader public. So, today the activities as well as monitoring and measuring of results are openly visible on the homepage of *Aguas do Porto*.

Initially, the 'Porto without Water Loss' project focused on active leakage control measures (leakages not visible on the ground surface), quick repair of bursts and water pressure control. The most striking aspect of this project is the immediate results: reductions of water losses by half in just eight months (56,000 m³ to 28,000 m³ per day), using effective management measures with few investments. The water savings already correspond to cumulative savings of more than €17 million. Since 2009, a second phase of this strategy is based on the replacement of pipes and water meters, which requires significant investments. Another very interesting aspect of the project is that it also has cross-cutting effects which furthermore help to fulfil other policy goals. The implementation of water distribution by gravity, without resorting to pumping stations, resulted in a decrease of 65.5% in electricity consumption,

representing a saving of €271,000 and avoiding the emission of 719 tonnes of CO₂. Overall, many of the organisational and technical instruments are transferable to other municipal authorities dealing with water under similar technical and climatic circumstances to Porto. The project also very clearly shows that progressive actions towards sustainability do not have to be too complex. It is about the identification of priorities and the focus on these priorities. And the results in Porto – less water loss and for instance better quality of bathing water – are also affecting the everyday life of citizens. Solving obvious problems in the field of water can in this respect be a priority of many sustainability initiatives in the South of Europe.

Searching for alternative financing for biodiversity projects by involving a broader public and cooperating with schools and universities

The afforestation project **More Forest for More Life**, from the *County Council of Arad* – a county located in the North-West of Romania – is based on local inter-institutional partnership between organisations involved in environment protection in the administration of the ‘Arad county’ where the programme is managed. It is a striking example of a ‘down to earth’ approach in the field of sustainability and very different from complex and comprehensive sustainability strategies. The core element is a close cooperation between public administration and civil society. The innovation lies in the setting up of an impressive project



without funding. The project relies entirely on voluntary actions and sponsorship and it was implemented during spring and autumn of the years 2008-2010 and will remain in operation until 2015. The main objectives have so far been impressively met: since there is a lack of financial resources for afforestation projects, the idea is to achieve maximum results with minimum costs in order to very concretely improve the quality of life in the Arad County by enlarging the forest areas. So far, a total of 1025 participants (students, volunteers, individuals and employees from the partner organisations) were involved in the afforestation and forest sanitation activities between 2008 and 2010. An average of 60 volunteers were available every day during the plantation period of spring and autumn. The volunteers belong to local partner organisations: rural and urban local public administration, Arad Forestry District, Regional Environmental Protection Agency, Association EDUCATIO Arad and high schools with a forestry profile from the Arad County. In this respect, the project is a good example of how to create real win-win situations. By involving schools and other educational institutions, the project is not only an important step in the field of biodiversity, but also a major step for the County in the field of environmental education. By applying the volunteer scheme on a very broad scale, the project aims at increasing respect for the concept of biodiversity, sustainability and sustainable development. Very different from other rather abstract sustainability debates, by being involved in the sustainable management of forests, children and students get the opportunity to not only learn but also experience the concept. It is obvious that the approach is transferable to other administrations.

However, one striking success factor has to be provided by the coordinating and managing administration: this type of project needs commitment and the capability to motivate partners without having the usual carrot ‘subsidies’. In this regard it very much reflects the situation of many administrations. With fewer funds available, sustainability projects steered by public administration will also be faced with the question: how to motivate partners from civil society?

Application of Environmental Management in public administration

With respect to the introduction of environmental management systems (EMS) in public administration, the City of Vienna has presented a remarkable EMS programme that has been in place for many years. Other applicants also presented the introduction of EMS systems (Malta, Cyprus, and Finland) but only at an initial stage where assessment was difficult. The introduction of Environmental Management as such is not an innovation. For many years front-runner administrations have applied the concept. In the EU this is very often done under the EU EMAS regulation which was revised for the second time in 2009 (Regulation (EC) No. 1221/2009). Two aspects of the applications from Malta, Cyprus and Finland are interesting: these are about the application of an environmental management system in non-environmental administrations: in the Ministry of Defence (Cyprus), the Ministry of Finance (Finland) and in the Housing Authority (Malta). Given the fact that the application of an EMS is not very innovative today, also in front-runner countries there have been problems in applying EMS to all branches of public administration. Therefore, these three projects are certainly remarkable since they tackle administrations beyond the ‘normal’ environmental aspect. From this perspective, the comprehensive EMS programme in the City of Vienna is a role model and was rewarded with a best practice certificate. It is not the application of EMS as such which is innovative, but the broad approach of the programme; it refers to all departments of the City administration which should become a routine all across Europe and at all levels.

Incorporating biodiversity aspects into spatial planning and land management

Sites of high natural value are today protected under the EU Natura 2000 legislation. Nevertheless, the loss of biodiversity is still occurring, mainly because natural areas outside Natura 2000 sites have no formal protection and the maintenance of ecosystem functions across the entire landscape is not warranted. The European Commission is discussing at the moment the so-called ‘Green Infrastructure’ concept as a key approach to formulate the post-2010 policy response to biodiversity loss. The objective is to help reconnect existing nature areas and improve overall ecological quality through a more balanced use of land.¹⁷ One of the most effective ways of building a green infrastructure is to adopt a more integrated approach to land management, through strategic level land planning. The aim of the **SITxell project** is to set up a territorial information

¹⁷ See *i.e.* European Commission: Fact Sheet on Green Infrastructure, June 2010. Available on: <http://ec.europa.eu/environment/nature/info/pubs/docs/greeninfrastructure.pdf>.

system covering the open areas of the province of Barcelona. On the technical side, SITxell is a project of land analysis and planning based on multidisciplinary territorial data about open areas, and includes hundreds of coverages of geology, hydrology, flora, habitats, fauna, landscape ecology, cultural heritage, farming, forestry, etc., generated by scientific teams. The specific feature of SITxell is that it incorporates accurate and reliable expert assessment and valuation of land structures and dynamics, including elements of interest (natural, cultural, social, and economic), risks and potentials. The integrated land evaluation also has a political impact. The purpose is to influence spatial land planning at the municipal and regional level, by offering the information and criteria to the competent public administration, and also by promoting the consensus with private sectors and stakeholders. SITxell is already a consolidated project, offering free-of-charge land analysis information and planning criteria that are used by the main public administrations responsible for spatial land planning, private enterprises, specialists and NGOs.

4.2 Elements of best practice demonstrated by other applicants

The majority of elements of best practice identified in the Going Green theme derived, as might be expected, from schemes which were recognised through the awarding of best practice certificates. However, the following representative elements of best practice were also identified amongst applicants who did not, overall, qualify for a certificate. They have been included in the report, both to ensure that the lessons of these projects are not lost simply because the projects did not happen to be prize winners, and also to recognise what the projects referred to have achieved.

Some of the projects have just taken off. In this regard, it was not possible to compare the objectives formulated so far, with the results already realised. Due to the problem of proper assessment, the projects were this time not in the running for an award.

Long-term thinking, long-term planning and financing of transport infrastructure

One of the most interesting very recent projects has been the **Miljøpakken** ‘Green Partnership Agreement’ presented by the **City of Trondheim, Norway**. This is a sound attempt in the field of transport and traffic, therefore tackling one of the most difficult issues of urban sustainability. Two aspects are very innovative: it is a long-term planning process for the next 15 years and links part of the transport sector’s budget directly to a sustainable development programme. In this respect it creates high hopes for a real cross-cutting approach and the integration of sustainability into the core investments of traffic infrastructure. The Green Partnership Agreement was adopted by the City Council in April 2008, and came into operation in March 2010. The package is a 15-year contract between national, regional and local governments to allocate NOK 7 billion (€0.9 billion) towards a wide range of traffic, transport and environmental measures. The special thing about this programme is the public acceptance, which is very often a major problem in the field of ‘greening’ transport infrastructures. The package enjoys wide support within the business community and among

Trondheim's population, and is backed by political parties across the political spectrum. The main concerns during the initial phase are to reduce the land use dedicated to traffic, and to change the transportation emphasis towards more use of public transport, cycling and walking. A complete road network for cycling is included. Investments in road infrastructure dedicated to improving the traffic safety for vulnerable users is also part of the package and reflects other aspects of sustainability beyond CO₂ reductions. The project is explained and communicated by different means of communication: one is a very sophisticated homepage not only explaining the different parts of the project, but also acting as an appetiser for 'greening mobility' (see <http://miljopakken.no>).

5. Conclusions and recommendations

The main conclusions and recommendations arising from our analysis of the applications for the Going Green theme are as follows:

Key messages

1. Innovation builds on continuation at the municipal level

The front-runner projects from the level of very ambitious municipalities with long-term sustainable development and low-carbon economy programmes indicate that the long-term establishment of expertise and administrative capacities are a major precondition for successful greening policies. In this respect, public administrations do not have to reinvent the wheel in terms of objectives and implementation strategies. It is evident that membership to a regional or local network very much improves the quality of the initiatives. As seen by the example of Barcelona, Aberdeen and Tampere: the three cities developed their own priorities within their sound sustainability programmes, but they are following a framework developed previously and communicated widely at the EU and international level. This means that with regard to policy objectives, obligations as set by the Covenant of Mayors are a common framework for front-runners. By setting joint CO₂-reduction targets there is clear correspondence with the EU level and the EU policy objectives. In the same sense, obligations such as developing a sustainable energy plan can be seen as a common cross-country management tool. In addition, front-runner cities have signed the Aalborg Commitments of municipalities. They give a clear understanding of what types of changes are needed with respect to governance and administrative routines. It is also striking that all of the innovative municipalities have developed in the past a strong Agenda 21 process. In this sense, there is a long experience of civil society involvement that can be described as also being the basis for recent participatory and

transparent greening initiatives. Against this background, one lesson for very progressive green policies at the local level can be that innovation needs continuation and a strong exchange with other administrations. There is today a broad toolbox available. Therefore, administrations can concentrate on finding their own priorities and the right approach: in this sense, local greening initiatives become really European.

2. 'Branding' as an important communication and awareness-raising tool of national climate change campaigns

Communication and awareness raising are important elements of many initiatives in the field of greening or sustainable development. Many of the presented projects of EPSA 2011 contained elements of communication. Communication is certainly a major challenge for current local, regional or national climate change programmes. As the example of the Austrian government shows, 'branding' can be an essential element of a communication strategy. In this respect the 'klima:aktiv' project has been very innovative. The Austrian government has been successfully launching a brand in the field of climate protection, which is today being used at all levels of government and within different policy fields. This is not the case in other Member States where administrations at different levels and sectors operate with their own climate change 'brands' and labels. The Austrian example could stimulate a broader debate as to whether there is often a need for more expertise in the field of successful communication. So far, 'branding' as such has not been a focus of administrations even when they operate with public campaigns. The Austrian example shows that it is worth searching for sound and appropriate communication tools. The establishment of a strong brand for climate protection strategies can help to reach a broader public.

3. Finding long-term partnerships by including their interests in the project design

Many EPSA greening projects emphasised the need to find good partners in the business sector or in civil society at all levels of administrations. Very often this focuses on consultation and information processes in order to get input and expertise during a programming process. Finding the right partners is also very essential for subsidy programmes where parties can apply for funds. Given the fact that many administrations today face tremendous financial problems, the question arises of how to stimulate partnership without offering funds. The small-scale Romanian project in Arad has been an excellent innovative example. It shows that it is worth thinking about possibilities to start projects without funds. In the Romanian case the key to stimulating a broader engagement of external partners is the fact that they gain a real benefit from the project. Being involved in a concrete afforestation project in their own region has been very attractive for a multitude of institutions in the education

sector; they were even willing to integrate this into their own curriculum. In this sense, the project design has taken into account the educational nature of a rather technical project dealing with forestry needs. This means for other projects, that it is very important to have an idea about the interests of potential partners. In addition, public officials need to have excellent communication skills in order to bring partners on board and convince them of a certain action. In this respect, the role of initiator and motivator is certainly different to the normal routine of administrations.

4. Ownership as a core to real changes in administration

It has not been so difficult to start green public procurement or environmental management systems in environmental administrations. Very often, officials working in the field are aware of environmental problems and the respective instruments. There is very often political leadership in the field and general acceptance to change administrative routines. Greening the practices is more difficult in other parts of the administration. The stimulation of green procurement or the introduction of EMS systems within all departments is still a major challenge in the EU at all levels. Two projects from the city of Vienna have demonstrated that it is possible. The application of green public procurement across the entire administration (the Öko-Kauf Project) has impressively shown that ‘greening’ is possible with an intelligent participatory strategy. The core element has been ownership. The public procurement experts of all the different departments have been actively engaged in working groups and developed for the last couple of years green criteria and respective product groups. By doing so, the responsible administrators developed and formulated changes of their own professional routine. Today, they procure the products and services on the basis of their own assessments and the City of Vienna has developed an impressive expertise in the field of green procurement that is also very helpful for other Austrian and European Administrations.

References and further reading

A set of shared commitments to be jointly implemented by local governments across Europe, *Aalborg commitments*, available on www.aalborgplus10.dk/media/pdf2004

Assessment and Comparison of National Green and Sustainable Public Procurement Criteria and Underlying Schemes,
AEA Report 2010, available on http://ec.europa.eu/environment/gpp/studies_en.htm

Commitment to implement sustainable energy policies to meet and exceed the EU 20% CO₂ reduction objective through increased energy efficiency and development of renewable energy sources, *Covenant of Mayors*, available on www.eumayors.eu

Renewed Sustainable Development Strategy,
Council of the European Union, 26 June 2006, 10917/06.

2009 Review of the Sustainable Development Strategy,
Presidency Report, *Council of the European Union*, 1 December 2009, 16818/09.

Transition from EMAS II to EMAS III, frequently asked questions to help understand the transition from EMAS II to EMAS III, *European Commission*, http://ec.europa.eu/environment/emas/tools/index_en.htm

Cohesion Policy backs Green economy for growth and long term jobs in Europe, *European Commission, DG Regio*, Brussels, 9 March 2009, reference: IP/09/369.

Communication on Implementing European Community Environmental Law, *European Commission*, COM(2008) 773 final.

Europe 2020. A strategy for smart, sustainable and inclusive growth,
European Commission: COM (2010) 2020

Buying green! – A handbook on environmental public procurement,
European Commission, Brussels 2004, www.ec.europa.eu/environment/gpp/.

The Sixth Community Environment Action Programme – Final Review,
European Commission Communication, COM(2011)531.

Consolidated Versions of the Treaty on European Union and the Treaty on the Functioning of the European Union of 9 May 2008, *Official Journal of the European Union*, C115, 9 May 2008.

*Andrew J., et al, **Innovation in Environmental Policy: Integrating the Environment for Sustainability**, 2008.*

*Corfee-Morlot, J., Kamal-Chaoui, L., Donovan, M. G., Cochran, I., Robert, A., Teasdale, P.J., **Cities, Climate Change and Multilevel Governance**, OECD Environment Working Paper No. 14, 2009*

*Stern N., **The Economics of Climate Change**, Cabinet Office, HM Treasury, January 2007.*

Our Common Future, Brundlandt report, *United Nations*, published in 1987, document A42/427.

Global Environmental Outlook 4, *United Nations*, published in 2007 twenty years after the Brundlandt report.

Speech by *Wates, J.*, Secretary General, EEB, at the informal meeting of environment ministers in Sopot, Poland, 10-12 July 2011.

How the public sector benefits from EPSA

The added value of its participation

EPSA testimony from the Region of Bourgogne

By *Martine Vandelle*

It was two years ago, but it still feels just as fresh in my mind today. Tuesday 5 November 2009: I'm in Maastricht standing in front of a crowded room. I've seldom been as moved as I was today, trying to express in my broken English the speech that Patrick and Louis-François¹ prepared for me: we are the Winner of the prestigious EPSA Award in the 'Performance Improvement in Public Service Delivery' category.

This is quite a road I've taken since my first commitment to local public life! In 1989, I became the mayor of a 1000 inhabitant municipality in the Department of la Nièvre in the Region of Burgundy. The region itself is widely rural and the steep climb up the eGovernment path lay straight ahead of me. This was a natural follow up to a career dedicated to teaching and training others in the service, looking for a way – by any means – to build up a little more solidarity in our social sphere.

As an active socialist and enthusiastic militant for the Regions of Europe, I took various executive positions as well as political ones. All of them joined together when it came to building up the eBourgogne project back in April 2004.

This beautiful project was, obviously, designed for the Burgundy Region but very soon we realised it had a national and even European scale. As early as 2005, we started to speak in various conferences in Europe but also in other parts of the world. The eBourgogne project started to express its view on regional shared services and their impact on regional administrative performance management in places such as Athens (Modinis), Rome, Barcelona, Madrid, Bilbao, Brussels, Prague, Budapest as well as Moscow, Rabat, La Réunion, French West Indies, etc.

Those testimonies proved to be good material for a first publication in 2006 on the EU ePractices website, and also benefited from the 'Best Practice' label.

In 2007, we organised the first European Meetings on eGovernment for Local Administrations (JEAT). We ordered a benchmark study of various European models: the Region of Valence, Greater London, Austria, Wallonie, etc. The study was published in the key reference French magazine for local administration '*La Gazette des Communes*'.

¹ Respectively, Patrick Ruestchmann, colleague, and Louis-François Fléri, Managing Director of GIP eBourgogne.

That very same year, we won an eTen European call for a project aiming at developing eTendering practices and tools for the public sector (PROCURE). We were granted the opportunity to act as coordinator for eight European regions; among them were Central Bohemia in Czech Republic and Uddevåla in Sweden. We learned how to successfully coordinate this ambitious project, which came to an end in March 2009.

The crossover between our practices definitively helped in gaining a wider and richer view of public tendering as well as designing the right technical platforms, which are still up and running today.

Incidentally, it was a Polish student – a trainee with us at that time – working on PROCURE, who completed the EPSA application form, gathering and improving on the information from the various papers we had previously published.

The year 2009 was also kind to us as we were honoured by the French Minister of Finance who awarded us the Public Manager of the Year.

Then we learnt that we had been shortlisted by EIPA as a candidate for the EPSA Award! This was flattering indeed, as there were more than 300 candidates coming from throughout Europe and only seven French organisations.

On 1 July 2009, an EIPA/EPSA expert visited us. He wished to meet the team and learn more first hand. That same day – it was the only common date on both agendas – we welcomed a delegation from Région Centre (elected members and civil servants). They wanted to ‘open the trunk’ of the eBourgogne model and get some insights into our ‘recipes’. I believe it is this exact moment that gave us the push we needed. Without any anticipation, we were demonstrating that our success with eBourgogne can be replicated and that our model could provoke a keen interest for our visitors.

The EPSA Award came at the right time, or maybe we just seized the opportunity to enhance the visibility of our work to a broader audience: we made an effort in order to give the Award appropriate follow up and coverage. We wanted to share the Award as widely as we could, with our partners and our more than 1000 members, but also with the local actors of ‘change’, the elected members, the local and national stakeholders in the field of eGovernment, Parliament members and the media.

Working on such a broad project as eBourgogne, there is a great temptation to not maintain enough energy to keep alive the relationships with so many potential partners. The Award gave us the push to renew connections with organisations or people who only had an overall view of our project or knew eBourgogne for a single service. Most were amazed by the array the platform is now offering and the change management effort that usually goes unseen. It was also easier to fuel dialogue with partners thanks to the confidence the EPSA can bring. We are now progressively opening our Open Source software library to other regions and our experience in measuring benefits of shared services in terms of performance is always improving. We built a model to get a financial assessment that is now being tested with the Brittany region.

The ten-year Public Private Partnership (PPP), in which the GIP eBourgogne is involved, is entering its third year. I remember that the PPP was one of our assets and we can now give a more thorough testimony of our experience with this particular contract: the flexibility, the challenges it brings to both partners, the rigorous management it entails and the perspectives it allows. We would be glad to share this experience with the next EPSA candidates.

The Award is also an asset to our industrial partner, Atos. It helps the company step up in recognition of the support given to the GIP primarily and to the local authorities market more generally.

The European aspect of our work is now fully embedded in the project. In partnership with EIPA, we jointly designed and organised in Dijon (June 2011) the kick-off meeting for the Interest Group on Shared Services (IGSS). By the way, we first discussed this idea on the very night of the EPSA Award. This meeting gathered 20 experts (academics, elected members of local authorities, ministries representatives, etc.) from 10 Member States. Our fellow EPSA Winner in the category 'Leadership and Management for Change' (Sant Cugat) actively attended. The focus was administrative performance and participative governance. Sadly, both concepts are not widely used in France. Our joint initiative will be followed up at the end of the year with a new workshop that will help formalise the networking of experiences with the appropriate tools. New organisations from other Member States have already expressed their will to contribute. It is a work in progress, but still we wish for a continuing thorough engagement from EIPA with the IGSS initiative.

Additionally, I am about to launch a 'Club for Elected Members' dedicated to a topic very similar to the IGSS: realising the benefits of shared services in public policies for local administrations. I wish to open up this new initiative to our European colleagues. The EIPA/EPISA networks will surely be able to help here.

It is clear that, without the EPSA Award and the prestigious aura it bestows to eBourgogne, we would not have had the capacity to develop such initiatives with this level of competence. I believe that we caught the momentum of the Award with the best of our ability and tried, with notable success, to implement on top of it. The prize is not just a nice object to display on the mantelpiece; nor is it only a precious moment in Maastricht. It rewards the efforts of an enthusiastic project team that is continually and increasingly required in the field. For us all, the EPSA Award puts its definitive imprint on our project and the people who are associated with it.

EPSA testimony from the City of Cologne

By Gabriele C. Klug

By the time the City of Cologne applied to be considered for the EPSA 2009 in the category 'Citizen Involvement', the City had carried out the first Cologne Participatory Budget.

The Participatory Budget 2008 was the pilot project for a comprehensive initiative to introduce eParticipation in the City of Cologne. Its core was an interactive internet platform, which not only provided understandable information about complex topics and collected the citizens' proposals, but also gave the opportunity for lively discussions among the participants and also with the administration. More than 10,000 registered participants, almost 5000 submitted proposals, nearly 9200 comments on the proposals and 52,750 assessments (votes for or against) clearly showed the eagerness of citizens to participate in the budget planning.

The following budget consultancies have been enriched by this additional input from the citizens.

The eParticipation platform also serves as the leading medium for monitoring the results of the budget consultations and decisions of the City Council, so as to guarantee the transparency of the whole process.

The entire eParticipation system is citizen centred with very low entry barriers to participate.

Encouraged by the positive feedback received during the four-week window of the online phase and also afterwards from participants, local press and other institutions, the Finance Department and the Department of eGovernment and Online Services wanted to share their experiences to spread the idea of citizen participation *via* eParticipation.

So what lay closer than applying for a nationally and internationally recognised award which gave the opportunity to report about a successful project?

The expectations have been clearly fulfilled! By taking part in the EPSA Award we learned a lot from the experiences and ideas of other participants and built new contacts. This for example led to us taking part in the EU Project, SMARTiP (Smart Metropolitan Areas Realised through Innovation & People), under the ICT PSP scheme.

Winning the Award in the category ‘Citizen Involvement’ raised focus and interest in other German cities and allowed them to start developing the idea of running participatory budgets with the help of eParticipation. Since then, more and more cities decided to run a participatory budget. Different approaches were chosen, some decided to focus on collecting proposals for saving money; others included a budget calculator. But all have in common the goal to increase involvement of the citizens; and meanwhile citizens have the expectation of being involved – an important aspect of democracy.

Last but not least, winning the Award was a great motivation for all stakeholders within the City of Cologne – in administration and politics – to continue involving the citizens in decision-making processes.

In the following years two more eParticipation projects were introduced: the Participatory Budget 2010 and the Noise Reduction Planning. The Participatory Budget for 2012 will follow in autumn 2011.

The whole EPSA process, starting with the application procedure, followed by the preparation meeting and the event itself in Maastricht, was excellently organised by the project team at EIPA. All staff members were highly motivated. There was always someone available to answer questions of any kind. The lot of personal contacts were very cordial and the whole atmosphere was quite inspiring.

After the award the staff members from the Finance Department and the Department of eGovernment and Online Services stayed in contact with EIPA, contributing to workshops and reporting about the developing experiences within the field of eParticipation.

The City of Cologne would like to express its gratitude for having had the opportunity to take part in this experience.

EPSA testimony from the Oldham Council

By Dave Catherall

1. Introduction

Two and a half years ago, before Oldham took the decision to submit our proposal to the European Institute of Public Administration (EIPA) for EPSA consideration, there was much discussion of the merits of such an application. Some were sceptical, feeling that it would be a waste of time, too competitive and an investment of a lot of colleagues' time for little return or publicity. Others felt that the submission could have much more positive impacts on the then Programmes Team, and indeed the whole Council. As committed supporters of EU funding programmes and their partnership approach, it was recognised that the proposal could possibly help strengthen or develop our relationships and potentially present new opportunities for future collaboration on projects.

Oldham Council's submission was under the theme 'New Forms of Partnership Working', allowing us to highlight that the process adopted by Oldham in developing its Local Strategic Partnership was both effective (in terms of getting work done) and innovative. It was felt that the submission would enable us to demonstrate that our approach to partnership working not only satisfied the criteria for the award, but went beyond them in delivering a huge range of services from within the public sector.

Ultimately the Council took the decision to submit an application and work began on its preparation. Two people were assigned to this task, which they completed in a month and everything was then sent off.

2. Background

Following the submission notification was received that we were under consideration for the award, and as part of the process would be interviewed as an applicant body. The decision was made to build a team of partners and arrange some meetings away from the Council in order to allow a thorough examination of our claims to be made. When the day of the visit arrived, we had the pleasure of welcoming Michael Burnett from EIPA in Maastricht.

There was a very thorough examination of all aspects of the details in the submission. The day sparked some very interesting debates and raised a wide range of issues. Indeed the discussions continued after the visit and ultimately led to improvements

in the way we worked. Even at this early stage we began to recognise the value of the process as preparation for EPSA examination had required an in-depth self-scrutiny, which brought early improvements to the way we worked and motivation from the positive feedback received on our methods of working.

Following this feedback it was felt that committing further to the process led to greater interaction with similar organisations, allowing a much wider sharing of knowledge and ideas that would not only benefit Oldham Council, but ultimately the citizens of Oldham.

3. Experience

Following the visit of the senior expert from EIPA, notification was received that Oldham had been selected as an award nominee; this was perhaps the best we had hoped for, given that there were 81 submissions from across Europe in the partnership theme. When starting the process we had no idea of the competition we would face and considered it a great honour to be nominated. The result was two representatives from Oldham being invited to attend the award ceremony in Maastricht, which was held in autumn 2009.

Maastricht is a beautiful city which, through being the location where the Treaty on European Union was signed by heads of government in February 1992, is recognised throughout the world as being the centre of government. It felt very special just to be there.

At this event it quickly became clear what the real benefits of being involved would be. In the UK there is sometimes limited understanding or appreciation of events such as these, and the importance placed on them at local, regional and national government levels. There is a really strong EU-centric pride that comes from being a Member State that is perhaps not always obvious or felt within the UK.

The level of publicity generated by the event was also a pleasant surprise to both us and other UK participants at the event; in fact it was a little overwhelming at first! Once over the initial shock, we immersed ourselves fully in the whole event, determined to make the most of the networking opportunities on offer. We realised that events on this scale do not happen very often and as such we worked hard to capitalise on the opportunity.

When the Gala dinner and the decision arrived, we were stunned and elated to realise that Oldham had received the ultimate recognition and was selected as Winner in the category New Forms of Partnership Working. It was tremendous for the Council to receive this accolade and recognition from Europe and we were proud to take the Award back home to Oldham.

Following the event the hard work continued through the series of workshops held. These provided the opportunity for a positive exchange of ideas and, as Winners, we received a great deal of interest and scrutiny from our colleagues from around Europe. Again we found this to be a very positive experience that allowed us to generate new ideas which could be taken back to Oldham.

4. Conclusion

Since returning, the economic landscape of Europe has changed incredibly. At the time of receiving the nomination and Award for our partnership working, who could have predicted the scale and pace of change that would happen? This has presented strategic partnerships across the country with a tremendous challenge as resources reduce and operating environments change, resulting in a need for a fundamental review and refocusing of priorities. This challenge applies in Oldham as much as anywhere else; what is perhaps different is the nature of response being made.

The legacy of strong partnership working and collaboration has provided a strong platform on which Oldham can develop the previous work undertaken and build for the future. There needs to be more partnership working, not less: in Oldham this is being fostered through adopting a 'cooperative' approach. Oldham Council is committed to repositioning itself as a cooperative Council as part of a wider cooperative Borough. This means making Oldham a place where the public, private and voluntary sectors work more effectively and more innovatively together with communities to achieve shared goals.

As part of this process, every element of partnership working is being looked at again; roles and accountabilities revisited and reviewed as well as a refocusing of priorities. The overall driver of the change is to bring about a cooperative future for Oldham, strengthening the economy by reducing dependency on the public sector, fostering strong relationships with the private sector and supporting strong community, voluntary and faith sectors.

We are ultimately still using the lessons learned in Maastricht and developing ideas discussed there. In summing up, I would say nothing but positive experiences came out of Oldham's participation in the process; from scrutiny and feedback during the submission stages and interviews, to networking and ultimately the publicity and recognition brought to Oldham from winning the Award and the positive impact that it has had.

Furthermore, it would be a pleasure to extend an invitation to all our colleagues throughout the EU to contact us in order to discuss further programmes, projects and ideas.

EPSA testimony from the City of Sant Cugat

By Lluís Recoder and Jordi Joly

‘EPSA Helps to Develop New Methods of Political Action’

In 2005, Sant Cugat initiated a process of fundamental change to introduce new political behaviours, as well as a new understanding about the role of public management. Transparency and rigor are fundamental components of any modern, accountable and serious public organisation. However, realising this deficiency and the need to break old routines and spheres of power, The Politics & Management Deal model was launched and enacted by the City Hall of Sant Cugat.

Change processes are always difficult. The opportunity afforded by EIPA, through the European Public Sector Award, provides organisations and programmes with paralleled benefits: 1) to boost and motivate the organisation to reach objectives that are evaluated by an organisation at the European level, and 2) to receive external recognition that serves to reinforce the utility of the project. In our specific situation EPSA was instrumental in legitimising the cultural, political and directive change process.

In order to understand the important role achieving the first prize in the category ‘Leadership and Management for Change’ played by our organisation, it is useful to provide some information about the project itself.

Governments of the 21st century must face strong challenges while operating in a context of limited resources. They should do more with less – which is an impossible task when lacking executive and management capacity and without an attuned political culture, rooted in confidence and political trust. Economic development depends on place confidence, an assurance based on the capability of the public administration. That is to say, economic development and public management are intrinsically connected in the quest to establish a fertile environment for investment, knowledge and business opportunities. Thus, it is necessary to stimulate cohesion between political behaviour and public policy execution, and its relation to budgetary constraints.

Politicians and managers are indeed responsible for converting political ideology into reality. The inception of this endeavour should focus on strategy clarification and public money allocation to reach the desired goals.

Competitive and capable public management, together with a refined political culture, is essential in order to avoid a future crisis of values, such as the current one. Thus, institutions like the European Institute of Public Administration become key stakeholders. Moreover, the Public Sector Award provides an extraordinary tool to foster and promote attitudes and capacities in the face of the numerous challenges to our society and its future sustainability. Actually, we are at a point of demarcation, as a new paradigm has emerged from the fiscal crisis. Politicians and public organisations have to efficiently manage the share of GDP for which they are liable. Political outcomes and limited economic resources emerged together to fight against the culture of uncontrolled expenditure that dictated public policy over the past decades in some territories, putting at risk some of the most relevant social policies.

Taking part in the EPSA process introduces a motivational aspect to your organisation. Modern teams and organisations are those who demonstrate their capacity for self-improvement and understand that competitiveness provides an avenue to increased efficiency when striving to reach goals, outputs and outcomes. Furthermore, being involved with the EPSA is a great opportunity to develop networks with other organisations, participate in knowledge-sharing and initiate high-value relations, while learning from different sources and experiences. Europe will succeed according to our capacity to understand that working and improving together helps to build the best environment for our society and pave the way for sustainable growth.

To conclude we would like to summarise why it was important to be part of this process and to highlight the principal effects:

1. EIPA's promotion of strategies that stimulate quality and competitive public management is key to every organisation that wants to better itself. This is accomplished through the platform of the European Public Sector Award (EPSA).
2. The powerful and dynamic network that includes different levels of nomination and access to projects developed throughout Europe by other institutions provides access to complementary data and ideas and an increased awareness of possible solutions for tackling common problems and goals.
3. It stimulates consolidation of the European character and breadth of our public organisations, regardless of the Member State of origin. We must be convinced that together we will create a stable, competitive and sustainable Europe. It is the dynamic work of EIPA and EPSA that is the basis for achieving these goals.
4. Introducing ourselves and winning the EPSA 2009 gave the people working in the organisation of Sant Cugat the sensation that they are directly part of – and vital to – the success of the public policies developed in the city. Having been recognised by EPSA breeds open-mindedness and encourages the organisation to confront new challenges with an attitude and self-esteem that would have been impossible before.

In short, we would like to end by encouraging EIPA to continue working in this manner and to encourage all public and political leaders, who believe that the successful and sustainable policies of the 21st century require institutions to be capable and competitive, to take part in the EPSA process. Surely they will extract copious benefits and will help to consolidate the networks necessary to develop a positive future together and for new generations.

Public Return on Investment: How to determine costs and benefits of EPSA participation and other reform projects

By Jens Loff¹

1. Public Return on Investment (PROI)

Innovative organisations and their responsible divisions often face problems in the project initiation process. They have to convince stakeholders of the benefits of their ideas and proposed projects. In the public sector, it is not easy to measure all costs and benefits, because they are manifold and not just measurable in monetary terms. In order to convince responsible decision-makers of the prospective advantages of a project, it would be useful to have an easy tool to help structure and clarify its pros and cons. The benefits of any action taken by an agency should outweigh the related costs at all times.

The participation in public management contests, like the EPSA, also constitutes a project decision for an agency. Even though the additional value of such participation is not easily defined, other factors are influenced by the successful participation in a public management contest, as will be explained.

An easy and manageable tool has been developed to review the expected positive and negative impacts of both types of projects – regular reform projects and contest participation – *ex-ante*. Furthermore, this tool allows for impact to be compared with investments made. Finally, it also provides a comparative marginal cost analysis to facilitate prioritisation of different projects by defining the Public Return on Investment (PROI).

This tool provides an opportunity to deliver public services smartly without unreasonable effort and costs in the decision-making process, especially in a cold economic climate and at times of cost cutting and decreasing budgets in public organisations.

¹ Jens Loff is CEO of the international consulting company Nordlicht Management Consultants, www.Nordlicht-Consultants.com, based in Hamburg. Jens worked on large-scale strategy and governance projects in the Public and Non-Profit Sector - projects for organisations such as Bertelsmann Foundation, the German Ministry of Interior, and the European Commission. He is well-known for his expertise in coaching, project management and risk analysis in large-scale projects of administration and governance.

2. Projects, contests and excellence: the necessity to convince stakeholders of ideas in order to be successful

Picture a random department in any public organisation with a valuable idea. A long list of relevant actors soon becomes evident. Most departments only need a formal approval from a line manager or superior agency based upon good arguments as to resource needs, timing and value, in order to be able to translate their idea into a real project or policy. A similar formal procedure is required to compete in public management contests.

There are two ways in which an institution can normally participate in a contest: 1. with an existing project; or 2. with a project proposal. In the second scenario, contest participation facilitates the realisation of a project; whereas in the first scenario, the focus is obviously on the additional value (new ideas and energy, image, more customers, etc.) brought by participating in the contest.

In seeking approval for an idea, it is important to display the impacts of the proposed project in order to: 1. convince actors within the organisation; 2. fulfil the expectations of political actors; and 3. meet demands of citizens/customers.

Internal actors include: 1. line managers; and 2. colleagues on the same level of hierarchy and below. To ensure a successful project or contest participation, it is vital to get formal internal permission as well as real commitment.

In addition to convincing internal actors, a good public management project has to fulfil the expectations of politicians as well as citizens/customers. Citizens/customers are those who are targeted; this could be the society as a whole, as well as smaller target groups (always considering possible negative side effects on other groups). Politicians are external actors who are willing to fulfil the expectations of citizens and who depend on their goodwill. They are elected to ensure good policies and projects – that is the reason they have a strong interest in realising good projects and communicating them properly. Since politicians approve budgets, they are also the ones with final decision-making powers.

To sum up, it is critical to provide a structured overview of the expected project implications to internal actors and politicians *ex-ante*, in order to secure permission to start the project and also to free up the necessary resources. Furthermore, the impact of a project has to be communicated properly in order to convince citizens/customers of its usefulness. If a public project is participating in a public management award, it has to be evaluated and an additional benefit has to be defined to ensure efficiency and transparency in times of tight budgeting.

In any case, the strong commitment of the organisation as a whole is absolutely necessary. To create such a commitment, the project needs a structured evaluation of core arguments that justify the aspired action.

3. Public Return on Investment: how to calculate and connect monetary and non-monetary costs and benefits for decision-making

The following chapter provides a practical smart model to measure the presumed impacts of a project. Obviously, the importance of the presented cost and benefit categories depends on the perceived goals of the specific programme. If the calculation of the PROI is planned, it is always necessary to reflect the importance of the different cost and benefit categories for the specific project before the project starts. That is an *ex-ante* assessment. Different categories of project costs and benefits have to be analysed in order to display the presumed impacts of actions taken, either on future public sector projects or on an organisation's participation in a public management award like the EPSA. The two main categories in Public Return on Investment are monetary and non-monetary costs or benefits. Both categories and their subcategories will initially be analysed separately and then brought together. This gives organisations a manageable tool to help them prioritise projects, to be accountable and to be effective in a cold economic climate with tight budgets.

During the following argumentation, two examples will illustrate the PROI method. These examples are two EPSA 2011 cases, participating respectively in the theme areas 'Smart Public Service Delivery in a Cold Economic Climate' and 'Opening Up the Public Sector Through Collaborative Governance'. Both cases are anonymised and based on virtual key data. Though, the result provides no inferences about the value of the real projects:

- **Citizens maintain services:** The first project is a city that is short on budget. The administration is forced to cut services and benefits. On the other hand, the public wants to maintain all the services. The project has the objective to include citizens in the delivery of services: they are included in all optional services of the city, such as museums, concert halls, libraries, public baths etc. They help employees voluntarily, so that these services can be offered without any cutbacks. The administration initiates the project and controls the process.
- **Vocational eLearning:** The second project is a municipal eLearning project for vocational schools. The goal is to deliver more information, more content and a network for teachers, students, and interested companies. Additional tuition, courses and events are retrievable. The region operates the platform: users get free access.

3.1 Monetary factors: costs, benefits and Return on Investment (ROI)

How to evaluate monetary factors of a project

Monetary effects have to be considered for every project proposal due to the increasing strain on public budgets. The tested and proven concept of 'Return on Investment' (ROI) provides an overview of costs, benefits and their respective proportions.

This model is well known and commonly used in the private sector, and does not have to be exercised in detail here. It is expressed in the proportional share of the return, based on costs:

$$\text{ROI (\%)} = \frac{\text{Net Programme Benefits}}{\text{Programme Cost}} \times 100$$

$$\text{Net Programme Benefits} = \text{Total Programme Benefits} - \text{Programme Costs}$$

Obviously, the goal of public organisations is not to supply products to increase their Return on Investment. Even though there might be charges for some public products or services, these charges typically only represent a share of the actual cost of a service in most cases. Nevertheless, the effect on the budget has to be captured before the impacts of a project can be analysed.

Thus, all phases of a reform project need to be taken into account. These phases include the project launch, analysis, design, development, formative evaluation and monitoring, start up, ongoing implementation, and summative evaluation. In addition to these phases, there are several cost categories. These include salaries, overhead- and direct costs (see table below). Salaries include projected salaries of employees involved in the project (as a function of their working days on the project), as well as staff bonuses. Overhead costs include all costs not directly related to the project, as well as costs arising as a result of the project, for example facilities, utilities, equipment, and general administration. Direct costs are paid directly towards the realisation of a project, for instance costs of consultants, travel, materials, equipment, and special facilities. The following table provides a quick and well-structured overview and guide to help to track costs:

Phase	Salaries	Overhead	Direct Costs	TOTAL
Project Launch				
Analysis				
Design				
Development				
Formative Evaluation				
Start-up				
On-going Implementation				
Summative Evaluation				
TOTAL				

The same principle is used to identify the benefits once the costs have been determined. There are three different categories of revenue generation in public organisations. Namely: 1. revenue generated as a result of the project (taxes, fines, awards etc.); 2. cost savings as a result of the project (staff reduction or efficiency increases); and 3. cost avoidance as a result of avoiding penalties, fines or the loss of funding.

A detailed matrix provides an overview of all presumed costs and revenues:

	Year 1	Year 2	Year 3	Project TOTAL
Project Costs				
- Salaries				
- Overhead				
- Direct Costs				
Project Revenues				
- Revenue Generation				
- Cost Savings				
- Cost Avoidance				
Net Costs				

Monetary factors: explanatory illustration

The first project, ‘citizens maintain services’, saves costs in comparison to the previous year. However, it is very important to compare the project NOT to the status quo (or the year before), but to the expected status that would be achieved without the realisation of the project. Project 1 has the following monetary impacts:

	Year 1	Year 2	Year 3	Project TOTAL
Project Costs				
- Salaries	4,500,000 €	3,000,000 €	3,000,000 €	10,500,000 €
- Overhead				
- Direct Costs				
Project Revenues				
- Revenue Generation	2,000,000 €	2,000,000 €	2,000,000 €	6,000,000 €
- Cost Savings				
- Cost Avoidance				
Net Costs	2,500,000 €	1,000,000 €	1,000,000 €	4,500,000 €

Costs are salaries for the full-time employees in the relevant institutions and administration costs. Revenues are entrance fees, costs saved for full-time employees in institutions that would have been maintained even in case of cost cutting.

The second project, the vocational e-learning platform, has initial costs to set up the platform. Afterwards, there are mainly maintenance costs, marketing costs, and salaries. Benefits are sponsorships and funding:

	Year 1	Year 2	Year 3	Project TOTAL
Project Costs				
- Salaries	3,000,000 €	1,000,000 €	1,000,000 €	5,000,000 €
- Overhead				
- Direct Costs				
Project Revenues				
- Revenue Generation	200,000 €	200,000 €	200,000 €	600,000 €
- Cost Savings				
- Cost Avoidance				
Net Costs	2,800,000 €	800,000 €	800,000 €	4,400,000 €

3.2 Non-monetary benefits: mandate, organisation and customers

Three different kinds of non-monetary benefits

Here it becomes very public sector specific. The ambition of public and politically governed organisations is not to optimise their return on investments. It is more important to provide good services to citizens and to fulfil their mission in the public sector. Even though considering monetary factors is absolutely necessary as part of an *ex-ante* analysis of a public project, it must be acknowledged that public organisations willingly spend large amounts of their budget without expecting significant monetary returns. Thus, non-monetary benefits are relatively of much higher importance, and explicitly must also be included in order to get an overall picture of the presumed impacts of a project. Three categories of non-monetary benefits exist: 1. mandate value; 2. value to the organisation; and 3. value to the customer.

These categories make up the foundation of the non-monetary benefits analysis. The weighting of categories in terms of the allocation of points is just a proposal. The goals of a project shape the allocation of points in each category differently, depending on the specific case.

Mandate value

A project has a high mandate value if it is mandated through law, justice, statute, rule or political will. If there is a mandate for the specific project, it scores 30 points. The importance of the project fulfilling a mandate indirectly represents the number of points on the scale. If the mandate is an important part of a project, it scores around 20 points. If the project represents just a small and replaceable part of a political strategy, it scores around 10 points.

Organisational value

The value to the organisation consists of: 1. agency performance; 2. cross-agency collaboration; 3. criticality; and 4. communication/image value. Each factor and subcategory can score up to 10 points respectively.

Increasing *agency performance* leads to the delivery of services in a more effective way. If a project significantly increases the agency performance it scores 10 points; if it has no effect at all it scores 0 points.

If a project facilitates inter-organisational knowledge and resource management and eliminates unnecessary effort, it increases *cross-agency collaboration*. Again, a project can score between 0 (no improvement) and 10 (significant improvement) points in this subcategory.

Criticality assesses whether a reform project addresses the core mission and goal of an organisation. If it is critical, colleagues are more likely to support the project. In this category, projects can again score between 0 and 10 points.

A very important argument used to convince politicians as well as line managers is the extent of a project's communication or image value. Often, significant marketing budgets are available. Some projects, especially those successfully participating in public management awards like the EPSA, might have a very high communication or image value. These projects score 10 points; other projects with no such value score 0 points.

Customer benefit

The customer benefit describes the value of a reform project to the target customer group. Although the customer benefit seems to be a very straightforward value, it is important to acknowledge the various types of customers and the very different sizes of target groups. The maximum size a project can target is society as a whole; the smallest size is a single person or organisation.

The second important variable is the total benefit to the target group.

Negative side effects, therefore, have to be calculated in the second step of the analysis. Again, both the size of the affected group and the impact are important. If, for example, a new motorway is built, commuters might profit, while residents might experience negative side effects.

In general, positive impacts should be higher than the negative side effects to ensure a positive customer experience. Projects can score a maximum of 30 points in this category.

The following chart should be used to record, calculate and communicate the non-monetary value of a project:

Mandate Value	(of 30 points)
Agency Performance	(of 10 points)
Cross-Agency Collaboration	(of 10 points)
Communication/ Image Value	(of 10 points)
Criticality	(of 10 points)
Organisational Value	(of 40 points)
Customer Benefit	(of 30 points)
TOTAL VALUE	(of 100 points)

Non-monetary benefits: illustration

In terms of non-monetary value, the first project, ‘Citizens maintain services’, generates profit to normal citizens due to the maintenance of services. Furthermore, the administration and the responsible department did what they are there for, which represents a high mandate value. In the dimension of organisational value, a positive impact on the image of the city’s administration can be expected. In addition, these measures can be communicated very easily – people get involved in their community.

Mandate Value	27	(of 30 points)
Agency Performance	6	(of 10 points)
Cross-Agency Collaboration	6	(of 10 points)
Communication/ Image Value	9	(of 10 points)
Criticality	8	(of 10 points)
Organisational Value	29	(of 40 points)
Customer Benefit	28	(of 30 points)
TOTAL VALUE	84	(of 100 points)

The second project, ‘Vocational eLearning’, fulfils the agencies responsibilities (mandate value), the customer benefit is very high for the targeted group, even though the group is limited. The organisational value is average – few people find this project interesting, other agencies are not involved.

Mandate Value	28	(of 30 points)
Agency Performance	4	(of 10 points)
Cross-Agency Collaboration	4	(of 10 points)
Communication/ Image Value	6	(of 10 points)
Criticality	7	(of 10 points)
Organisational Value	21	(of 40 points)
Customer Benefit	25	(of 30 points)
TOTAL VALUE	74	(of 100 points)

4. PROI value: a marginal benefit analysis

4.1 Combining monetary and non-monetary values

In the analysis tool presented here, two main categories are used to evaluate public management projects in advance: monetary and non-monetary factors. It is obviously necessary to combine these perspectives into ONE model to be able to prioritise projects – thereby determining which ones are highly important and beneficial, and which ones are less so.

As mentioned before, public agencies' budget restrictions necessitate the ranking of ideas based on their value, as often a competition amongst resource or resource allocation is given. These presumptions lead to the economic term of marginal benefits. If public goals are to maximise the benefits of public actions and investments, the benefits have to be maximised in relation to the money spent.

Here, a new indicator evolves: The points estimated in relation to net costs reflect the return for the public sector – just like the classic ROI for the private sector. Thus, the indicator is defined as 'Public Return on Investment'.

	Year 1	Year 2	Year 3	Project TOTAL
Total Value in Points				
/ Net Costs				
Marginal Value/ PROI				

4.2 PROI value: explicatory illustration

In the first case ('Citizens maintain Services') a value of 5,6/10,000 per Euro is generated.

	Year 1	Year 2	Year 3	Project TOTAL
Total Value in Points	84	84	84	252
/ Net Costs	2,500,000 €	1,000,000 €	1,000,000 €	4,500,000 €
Marginal Value/ PROI	0.0000336	0.000084	0.000084	0.000056

The second project ('Vocational eLearning') generates a value of 5,04/1000 per Euro spent results:

	Year 1	Year 2	Year 3	Project TOTAL
Total Value in Points	74	74	74	222
/ Net Costs	2,800,000 €	800,000 €	800,000 €	4,400,000 €
Marginal Value/ PROI	0.0000264	0.0000925	0.0000925	0.00005054

One of the main challenges for public service agencies and organisations is to deliver public services despite budget cuts and strict budgeting regulations. It is thus critical to use a tool that measures the impacts of actions taken in a cost-effective way before project implementation. The tool presented here allows public service agencies to estimate and evaluate the presumed benefit of money spent before deciding whether or not to invest. Science obviously provides more comprehensive and complicated methods of doing this, but they are costly to implement and difficult to manage.

On the one hand, the PROI tool provides the opportunity to estimate the monetary impacts on an agency, and on the other, an opportunity to relate them to the desired and presumed impacts on the target group and on society as a whole. When using this model, it is extremely important to include risks in the cost-calculation.

In conclusion, the PROI analysis tool structures presumed impacts transparently, traceably, and efficiently – for line managers, colleagues, politicians, and customers. After calculating costs, revenues and benefits for every important project, these can easily be ranked according to their PROI value. It is therefore possible to display the value of a project compared to its required investment. Organisations can then easily estimate whether or not a project is worth the investment.

	Marginal Value/ PROI	Position	Relative Value in %
Project 1			
Project 2			
Project 3			
Project 4			

In summary, this tool provides a very easy method for making meaningful, transparent, effective and efficient decisions, while still taking into account all stakeholders in times of tightened budgets.

At this point, we are able to compare the value of the two project examples. The PROI of the second project is 90% of the first project's PROI. In this case, Project 1 would have a higher priority than Project 2. An administration (or a jury) would prefer the first project.

	Marginal Value/ PROI	Position	Relative Value in %
Citizens maintain services	0.000056	1	100
Vocational eLearning	0.0000504	2	90

Recent EIPA Publications*

All prices are subject to change without notice.

Taking the Pulse of European Public Administrations - Key Findings of the European Public Sector Award 2009

Marga Pröhl, Alexander Heichlinger, Peter Ehn, Melanie Pissarius, Michael Burnett, Anita Rode, Tony Bass, Herma Kuperus
EIPA 2009, 117 pages: **free of charge**

Competitive Dialogue – A practical guide

Michael Burnett with Martin Oder
EIPA 2009, 197 pages: **€120.00**
(Only available in English)

21st Century Comitology: Implementing Committees in the Enlarged European Union

Thomas Christiansen, Johanna Miriam Oettel and Beatrice Vaccari (eds)
EIPA 2009, 390 pages: **€60.00**
(Only available in English)

Training and Human Resource Development in the European Union Member States:

New Practices and Innovative Trends
Danielle Bossaert (ed.)
EIPA 2008, approx. 160 pages: **€45.00**
(Only available in English)

Quality Development in the Field of Justice

Patrick Staes and Nick Thijs (eds)
EIPA 2008, approx. 148 pages: **€45.00**
(Available in English and French)

State Aid Policy in the European Community: Principles and Practice – Second Edition

Phedon Nicolaidis, Mihalis Kekelekis and Maria Kleis
Kluwer Law International/EIPA 2008, 286 pages: **€95.00** (Only available in English)

Regulating Conflicts of Interest for Holders of Public Office in the European Union

Christoph Demmke, Mark Bovens, Thomas Henökl and Timo Moilanen
EIPA 2008, 360 pages: **€60.00**
(Only available in English)

Measuring Individual and Organisational Performance in the Public Services of EU Member States

Christoph Demmke, Gerhard Hammerschmid and Renate Meyer
EIPA 2008, 121 pages: **€45.00**
(Only available in English)

Managing Structural Funds: A Step-by-Step Practical Handbook

Robin Smail, Luc Broos and Elsa Kuijpers
EIPA 2008, 262 pages: **€70.00**
(Only available in English)

Performance Assessment in the Public Services of the EU Member States: Procedure for Performance Appraisal, for Employee Interviews and Target Agreements

Christoph Demmke
EIPA 2007, 131 pages: **€45.00**
(Also available in German)

Public-Private Partnerships (PPP) – A Decision Maker's Guide

Michael Burnett
EIPA 2007, 186 pages: **€60.00**
(Only available in English)

Tripartite Arrangements: An Effective Tool for Multilevel Governance?

Gracia Vara Arribas and Delphine Bourdin (eds)
EIPA 2006, 113 pages: **€30.00**
(Only available in English)

Decentralisation and Accountability As a Focus of Public Administration Modernisation: Challenges and Consequences for Human Resource Management

Christoph Demmke, Gerhard Hammerschmid and Renate Meyer
EIPA 2006, 138 pages: **€40.00**
(Also available in German)

* A comprehensive list of EIPA's publications and order form can be found on EIPA's website at: www.eipa.eu

Are Civil Servants Different Because They Are Civil Servants? Who Are the Civil Servants – And How?

Christoph Demmke

EIPA 2005, 160 pages: **€37.00**

(Only available in English)

Public Administrations and Services of General Interest: What Kind of Europeanisation?

Under the direction of Michel Mangenot

Preliminary Remarks by Gérard Druésne,

Director-General of EIPA. Foreword by Claude

Wiseler, Luxembourg Minister for the Civil Service

and Administrative Reform

EIPA 2005, 186 pages: **€41.00**

(Also available in French and German)

Main Challenges in the Field of Ethics and Integrity in the EU Member States

Danielle Bossaert and Christoph Demmke

EIPA 2005, 270 pages: **€42.00**

(Only available in English)

European Social Dialogue and the Civil Services. Europeanisation by the back door?

Michel Mangenot and Robert Polet

EIPA 2004, 161 pages: **€35.00**

(Also available in French)

eGovernment in Europe's Regions: Approaches and Progress in IST Strategy, Organisation and Services, and the Role of Regional Actors

Alexander Heichlinger

EIPA 2004, 118 pages: **€21.00**

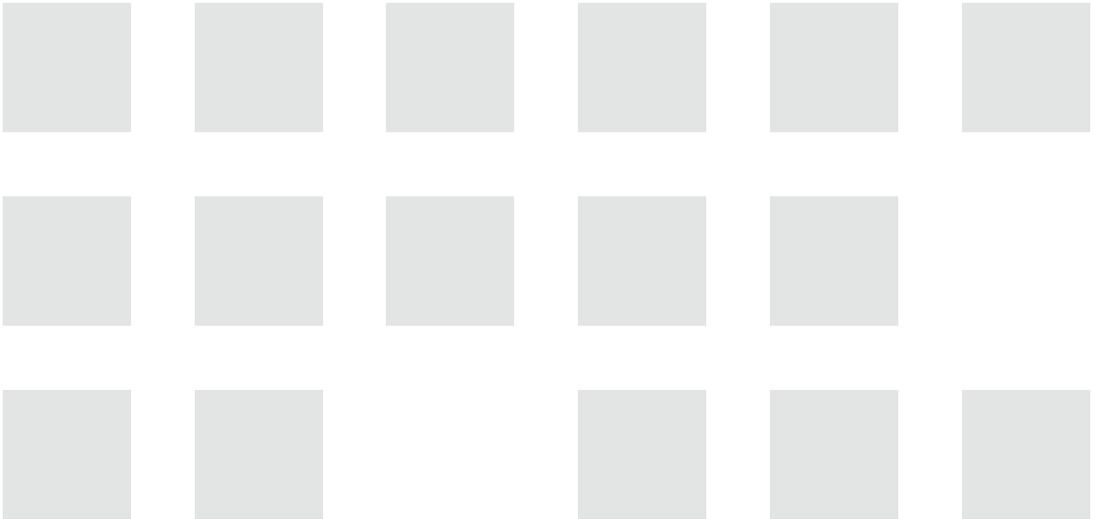
(Only available in English)

European Civil Services between Tradition and Reform

Christoph Demmke

EIPA 2004, 202 pages: **€40.00**

(Also available in German)



European Institute of Public Administration
Institut européen d'administration publique

