



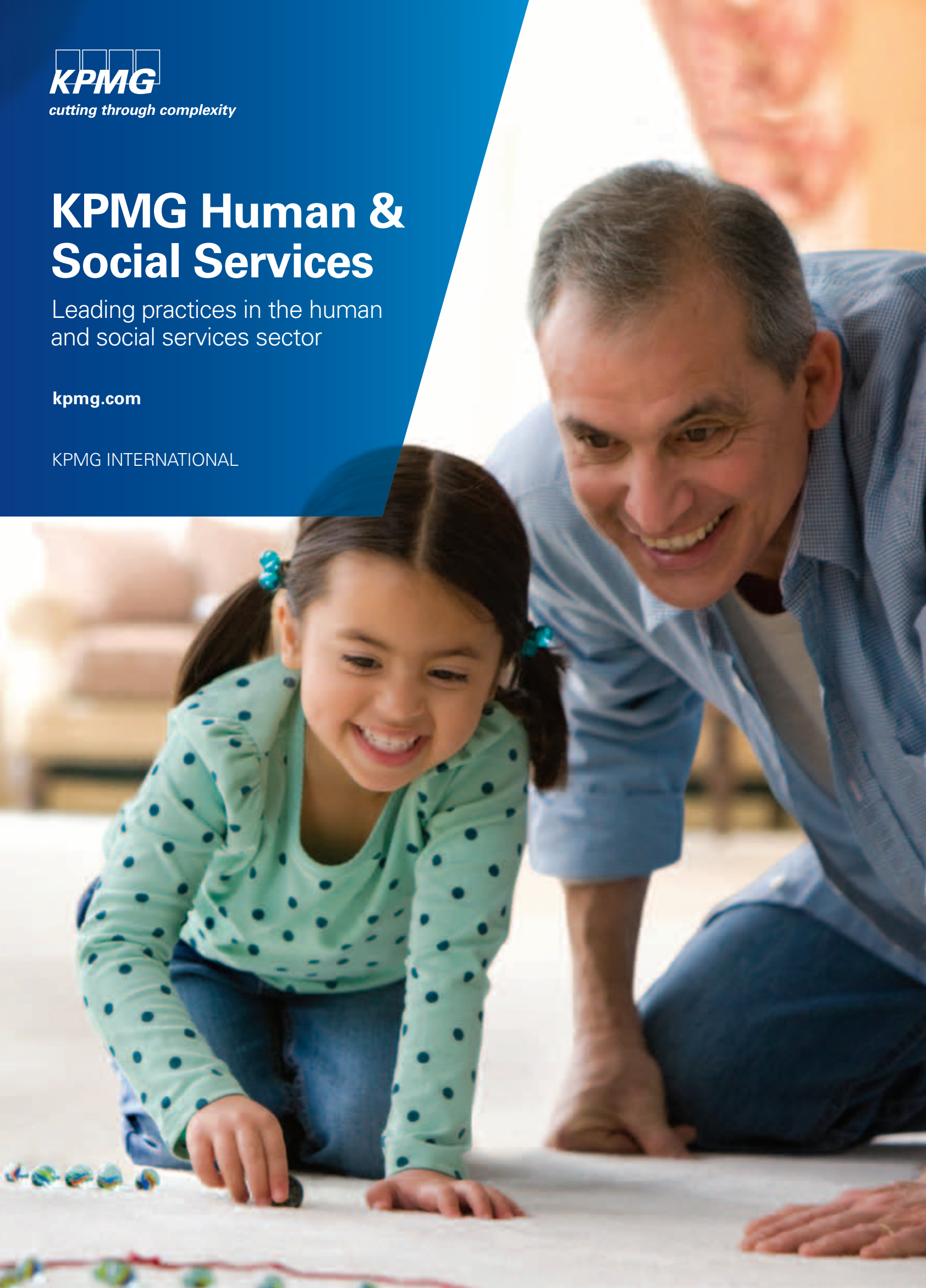
cutting through complexity

KPMG Human & Social Services

Leading practices in the human and social services sector

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Foreword

Providing basic economic and social security to citizens has long been acknowledged as a fundamental responsibility of government. Today, across a broad portfolio – from child welfare and income security to disability services and youth development – the need to adopt a business-like, results-oriented approach to the delivery of human and social services is quickly moving up the public sector agenda.

However, the delivery of services has become increasingly complex for governments in recent years. In many nations with longstanding program structures, the recent financial crisis has stressed existing systems and introduced new challenges. Other governments are struggling to address these financial challenges while simultaneously creating new delivery structures for providing basic services to their citizens, often for the first time.

Against this backdrop, a growing number of public sector leaders are seeking new approaches and models for service delivery. In part, this is due to a growing realization of the interconnectedness of social services and economic growth. But other external forces are also being keenly felt: technological innovation, shifting demographics, urbanization, and aging populations are all creating new pressures as well as opportunities for public sector service delivery.

Now, more than ever, it is critically important for governments around the world to share best practices, experiences and insights to develop a more efficient and effective capability to meet the basic needs of their populations.

KPMG professionals work with a broad range of stakeholders – including the public, private and not-for-profit sectors – to help governments identify and deliver much needed human and social services.

KPMG’s Human & Social Services practice brings together a wealth of shared experiences, insightful research and practical advice from KPMG’s global network of member firms. As a result, we are able to enhance our service delivery by providing local teams with global resources. The hands-on experience and deep knowledge we have gained from working with governments and stakeholders around the world combined with our local insights allows us to tailor solutions to fit our clients’ needs.

This report is intended to catalyze action by identifying some of the most important trends, challenges and opportunities facing the sector and provide valuable advice, practical approaches, and useful case studies to help governments and stakeholders advance their own programs.

To discuss the concepts and challenges outlined within this document, we encourage you to contact your local KPMG member firm.



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Responding to **Global Forces**

What are human and social services?

Human and social services is a broad term that encompasses all of the government services related to citizen's economic and social welfare.

The 'basket' of services tends to include a wide range of activities such as: early childhood and youth development; child welfare; income security; nutritional support; employment training/welfare to work; seniors support; disability services; and social housing and other services aimed at preventing homelessness.

And while the term 'human and social services' is certainly not universally used, all functioning governments around the world provide a level of these services to at least part of their population.

Human and social services agencies tend to occupy a unique place in the government service provision world. Unlike revenue agencies, tourism or even health services, human and social services agencies do not tend to directly recoup their costs or drive revenues for government, but rather provide essential services to sections of the population in need.

As the pace of change quickens around the world, governments are increasingly feeling the pressure from a range of forces and trends that add new complexities to the delivery of human and social services.

The Supply and Demand Paradox

Likely the most significant challenge facing government today relates to the pressure of delivering more and better services with fewer resources. In virtually every country around the world, the need for economic and social support is growing, even as the fiscal and budgetary environment tightens.

In part, this is the result of the recent – and in many countries, continuing – financial crisis that, in its wake, has left many people in dire economic need. In developing and emerging markets – demand is also influenced by rising awareness of the need to deliver a greater quantum of services to those who, traditionally, have fallen outside the scope of government services.

Supply is also acutely short. Many governments are facing extreme austerity requirements that have put downward pressure on financial resources. At the same time, a growing number of agencies are starting to take advantage of sophisticated systems and processes to help close the gap between supply and demand. Skills and capabilities are also being realigned and sharpened to reflect the evolving service delivery models and the broadening range of demands.

As a result, many governments are rethinking their service delivery models in an attempt to 'do more with less'. This involves harnessing new technologies and approaches, and requires greater collaboration and integration between existing service providers to gain greater efficiency across the board.

Shifting Demographics

As birth rates fall and populations increasingly age, governments need to respond to the rapidly changing demographics of their populations.

One of the most acute pressures on traditional care systems stems from the impact of a growing senior population: pension schemes are being stretched, adequate



senior's housing is in short supply and healthcare budgets are coming under pressure. Where governments were once able to rely upon payments from working-age citizens in order to off-set costs of seniors' care, falling birthrates in many countries over the past few decades have dramatically altered the viability of this approach.

Moreover, the very fundamentals of social service provision for seniors are also changing. For the most part, senior citizens are healthier than in the past and, as a result, their needs are moving away from institutional care towards community support. This trend will force governments to transform their approach to social care in order to deliver effective services in a humane and efficient manner.

Urbanization

All around the world, people are leaving rural areas and flooding into cities seeking new opportunities and services. According to a United Nations Report, *World Urbanization Prospects: The 2005 Revision*, over the past 50 years, the proportion of people living in densely populated urban areas has skyrocketed from under a third in 1960 to more than half in 2010.

While this trend offers some opportunities to governments who can gain efficiency by concentrating service delivery into smaller and better defined geographies, it is also creating significant challenges. In the developing world, for example, many of these new urban dwellers lack sufficient housing, employment or social safety nets, placing an increased burden onto the shoulders of government. Indeed, in parts of the developing world urbanization has resulted in the growth of slums which – lacking functioning government services – creates new complexities for governments.

As a result, governments will need to quickly reconsider their approach to service delivery and develop new models of care to meet the growing demands of their urban populations.

Technological Innovation

The rapid pace of technological change is also creating new opportunities and challenges for government. The adoption of innovations such as cloud computing and e-government has allowed the public sector to find new efficiencies and enhance service delivery to clients. But it has also created a number of complexities such as data security, privacy, and technology integration.

There is little doubt, however, that technological innovation has changed the paradigm for government: faster and more cost effective systems and processes deliver greater levels of agility and responsiveness to service providers; while increased access to information has resulted in better informed and more active citizens.

Identifying and deploying the right technologies to support the delivery of government services will be a key challenge for the public sector. It will need to not only respond to new innovations, but also meet the growing demands from stakeholders who increasingly expect to be able to access government services using new technologies.

Disabilities Awareness

While there is some debate as to whether the world is experiencing an increase in the rate of disability, it is clear that there is a growing acknowledgement of the needs of disabled people within society.

On the one hand, modern science has resulted in better diagnosis and treatment for a range of disabilities, which in turn, has placed increased pressure on government services. At the same time, governments are starting to recognize the benefits, both economic and social, of providing services that help the disabled to achieve greater participation within society.

For governments, this has resulted in increased demand for services as the number of known disabilities grows. It also means that public sector organizations will need to develop and implement a set of new services that properly reflects the range of disabilities now affecting their populations.

“ In South Africa, and in most developing countries around the world, we are seeing massive pressure on those delivering human and social services as a result of a number of distinct – but inextricably interlinked – forces,” said **Tshidi Mokgabudi, Head of Infrastructure, Government & Health, KPMG in South Africa**. “One is the economic crisis which has limited government’s ability to spend on social programs; we are seeing rapid rates of migration and urbanization which is not only changing the demand for services, but also creating a growing wealth and education discrepancy between urban and rural areas; and then you have rapid population growth in many areas which is stretching the capability of governments and NGOs to deliver even basic human and social services.”



Taking a **New Approach**

Through experience working with government agencies and key stakeholders around the world, KPMG practitioners have identified a number of new approaches to service delivery that are emerging in key markets.

Integrated Services

Many governments and public sector leaders are increasingly recognizing that human and social services are intrinsically connected. Child protection programs, for example, have learned that children's welfare can be positively impacted by interventions that increase parental ability to find gainful employment, meet family nutritional needs, or access healthcare. Thus, integration of these services can reduce the incidence of abuse and neglect and, ultimately, removal of children from the home. Similarly, early childhood development programs are often most effective when they take a more holistic view that includes fostering children's cognitive and social growth, supporting parental employment, and connecting children with healthcare and other needed services.

As a result, there is growing awareness of the need to integrate human and social services in order to create more effective solutions to many of the challenges facing populations in need.

In response, a number of governments are now exploring the potential of integrating their various systems and service models to provide a 'single window' of customer service.

This provides a number of key advantages to both government and citizens. For one, governments can reduce their administrative costs and increase efficiency by removing duplicated processes such as client authentication and verification. Citizens and service users also receive more effective services by not only eliminating many of the barriers to access, but also as a result of a more holistic and client-centric approach that brings multiple services to bear in addressing client needs.

Shared Services

Cost efficiencies can also be gained by human and social services agencies through the use of shared services models. In many cases, disparate agencies maintain common back office processes that can be combined and integrated to drive not only cost savings but also greater effectiveness.

Sharing administrative systems and processes may also allow governments to better leverage their technology and service provider budgets. For example, rather than running multiple instances of a procurement system (and with it, multiple help desks, service contracts, and infrastructure support), governments are increasingly extracting greater efficiency by implementing a single, more robust, platform that reduces costs and delivers greater service.

Other governments have evolved this approach to make greater use of cloud technology to provide infrastructure and systems ‘as a service’, thereby offering greater agility and responsiveness to their human and social service agencies.



Public Private Partnership Models

Private sector participation in the provision of human and social services is not a new concept in many countries. But around the world, a growing number of governments are analyzing and reevaluating the benefits that result from public-private partnerships (PPP).

In many cases, the business model reflects the need to realize cost efficiencies; by contracting services out to the private sector, governments can reduce overhead, focus on core service components, and achieve greater flexibility and agility within the service environment.

PPPs also offer enhanced efficiency as private organizations seek to reduce the cost to serve while maintaining a high level of service delivery. With the benefit of cross-industry experience and freed from the barriers that often result from internal silos, private sector organizations are also often able to apply and scale global best practices at a faster pace to deliver greater innovation within the service delivery model. Maximizing the value of PPPs, however, requires that governments accurately analyze and mitigate risks associated with third-sector relationships, and structure reimbursement approaches in a manner that incentivizes efficiency and positive outcomes and prevents fraud and abuse.

Enhancing Accountability

Governments are also seeking to increase the impact of their existing and new programs and services. Many are looking to strengthen their financial and accounting systems to not only achieve greater effectiveness, but also to enhance their ability to spot fraud and inefficiencies within the system. At the same time, effort is being put into developing capabilities in contract management and fund management in order to drive greater governmental accountability.

In those markets with existing PPPs, governments are also innovating with dynamic 'pay for performance' models that embed the principles of accountability into service provision and create programs that are more focused on outcomes rather than processes.

In the developing world, many governments are also looking to strengthen their Non-Government Organization (NGO) sector as a way to drive more accountable service delivery within local communities.

“While the UK is dealing with many of the same issues as other developed markets – welfare reform and an aging population, for example – we have witnessed amazing innovation on the part of the government to try to develop new approaches to some of the really big problems plaguing human and social services departments globally,” said **Alan Downey, Human & Social Services Practice Leader, KPMG in the UK.** “The initiatives to move to a Payment for Performance model in the Work Programme, the introduction of Social Impact Bonds and the use of Telehealth concepts are creating new benchmarks and best practices for other governments around the world.”

About KPMG’s Human & Social Services Practice



Through our network of member firms in more than 150 countries, KPMG professionals work with a broad range of government agencies, private sector participants, civil society stakeholders and citizen groups to help create more efficient and effective human and social services.

Why KPMG?

KPMG professionals understand the complexities of delivering human and social services within complex environments. As trusted advisors to government agencies around the world, our professionals have developed practical and valuable approaches to service delivery that enable clients to achieve the highest levels of efficiency while delivering increasingly effective programs.

Through the Human & Social Services practice, we help public sector organizations leverage global best practices within their unique local environments. And by centralizing our insight, approaches and methodologies, our clients can expect advanced and informed guidance.

KPMG professionals work with a wide range of organizations – such as the American Public Human Services Association, Institute of Public Administration of Canada, and Human Services IT Advisory Group – to share their insight and advance the body of knowledge on human and social services.

“The basic requirements that are often taken for granted in the developed world – things like health care, education, gender equality and child development – have now become key areas of focus for the government of India and for its citizens,” said **Navin Agrawal, Government & Public Sector Leader, KPMG in India**. “As a result, India tends to look for successful projects in other countries and that is often where KPMG can really add value. We have a strong global network and proven experience supporting significant projects in Asia, South America and Africa that provide leading practices and approaches that can be adapted into the Indian marketplace. It’s an area where we have tremendous insight and continue to develop our expertise.”



Service Offerings

KPMG professionals not only work with clients to identify opportunities, but also help clients realize them. Our subject-matter expertise in the human and social services sector, deep financial, accounting and management consulting knowledge, and global network lead to tailored and practical guidance for clients.

Business transformation/change management: With tested tools and methodologies for tackling the complex challenges facing human and social service agencies as they strive to manage change and transformation in service delivery, clients are able to identify and realize valuable opportunities for improvement. Our professionals combine hands-on experience with established methodologies to help public sector organizations manage the specific risks associated with change in complex social and political environments.

Information Technology: KPMG IT professionals work with public sector clients to align technology with organizational strategy, vision and goals. These professionals work across the technology life-cycle – from planning and strategy through to implementation and sustainability – to achieve dramatic results that allow clients to achieve improved service efficiency at a lower cost. By working with public sector clients, IT project specifications are developed based on organizational need and provide a broad scope of project management and draw upon our extensive accounting and management consulting capabilities to deliver quality assurance services to better manage risk and support successful project implementation.

Integrated service delivery/shared services: Our deep experience working with public sector agencies to create and realize holistic, client-centric models of service delivery helps clients to develop programs that transcend the status-quo. Working closely with clients and drawing on our regulatory compliance knowledge and experience in the industry, we design and implement programs that help the public sector leverage shared services to reduce costs while maintaining a clear focus on both core competencies and the delivery of mandated activities. Whether integrating eligibility and case management processes, centralizing core functions or outsourcing non-core support functions, KPMG professionals help clients understand the potential, risks and rewards of transforming their internal operations, and guide them through complexities such as regulatory, accounting, or technology challenges.

Performance management and improvement/cost-effectiveness: Driven by the need to achieve maximum results from increasingly scarce financial resources, public sector agencies look to KPMG professionals to deliver globally-tested and locally applied methodologies for achieving continuous improvement in internal processes, as well as outcome- and performance-based models of engagement with service providers in the private and not-for-profit sectors. KPMG professionals help identify and realize improvement opportunities throughout a client's organization and help raise performance

expectations by developing systems that provide better access to information that supports leadership decision-making and ongoing management.

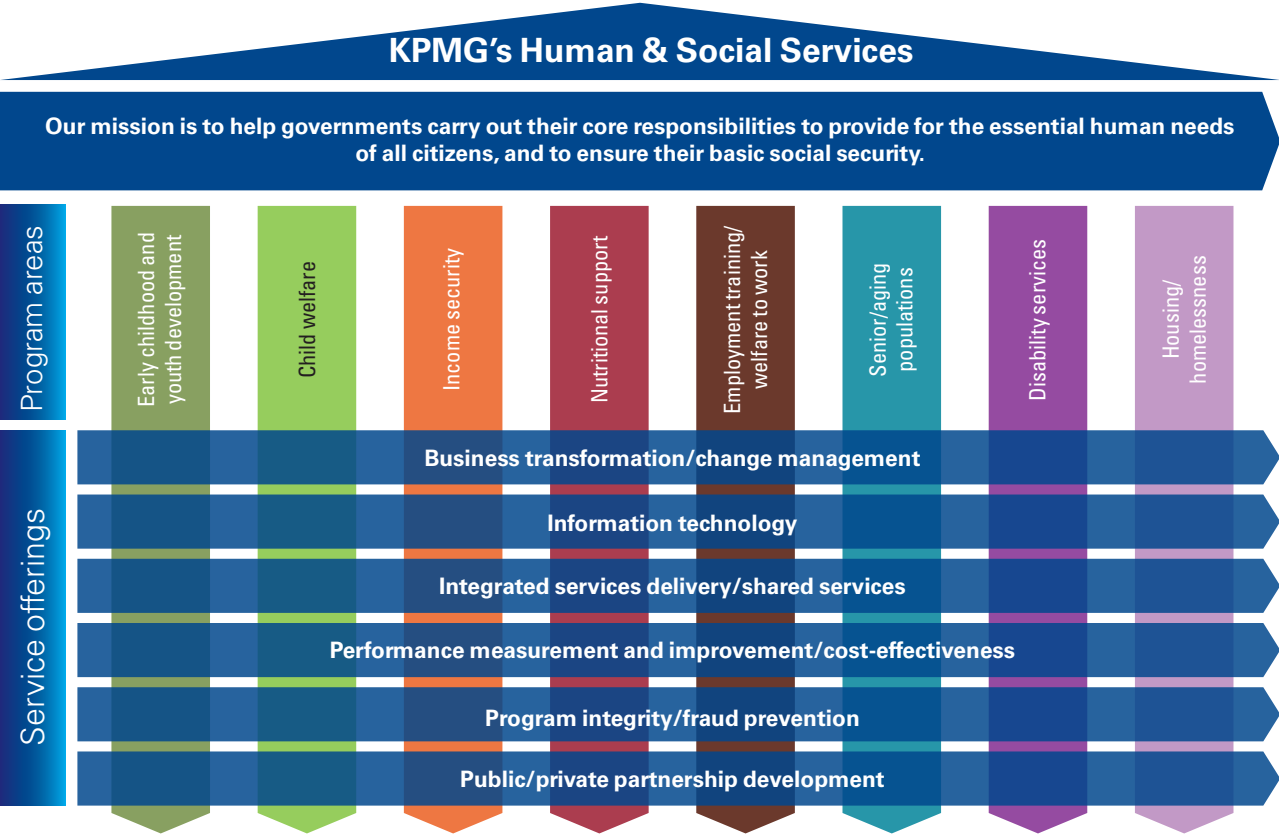
Program integrity/waste, fraud and abuse prevention: With extensive experience in finance, forensic accounting, and audit, KPMG’s forensic teams have the experience and skill in fraud prevention to help public sector clients handle the issue of fraud appropriately. We work closely with clients’ organizations to develop strategies that are not only proactive, but robust enough to prevent fraud risks before they occur to protect clients’ budgets, reputations, and donors.

Public-private partnership development: Our network of professionals serve as trusted advisors to both the public and private sectors, providing deep experience in developing effective and accountable partnerships with private and third-sector entities. As a result, public sector organizations are better able to deliver targeted outreach and service provision to varied and hard-to-reach populations, engage community resources in delivering sustainable change, and enable the achievement of performance goals without making large and inflexible investments in institutional infrastructure. With hands-on experience helping agencies all around the world to structure these relationships, we help human and social services organizations maximize the potential for successful outcomes while minimizing financial and performance risk.

“In Canada, human and social services organizations are looking to bend the cost curve while aiming to focus services on high needs segments of the population. We’re making significant progress on making sure there is an appropriate scope of services and starting to focus more on integrating services so that citizens can access a single ‘counter’ for service delivery,” noted **Craig Fossay, Human & Social Services Practice Leader, KPMG in Canada.** “KPMG has proven to be a trusted partner for these stakeholders, not only because our professionals are really passionate about human and social services, but also because we have proven – time and again – to understand what outcomes the various stakeholders are aiming to achieve with their programs and can provide approaches to help them achieve their goals.”

Driving Service Excellence

KPMG professionals combine extensive experience in a wide range of service areas with deep functional knowledge and experience to help government agencies meet and exceed their objectives. There are a number of important service areas that are increasingly important to governments around the world.



Early childhood and youth development

Trends: Early childhood and youth development programs serve to enrich the lives of children and adolescents, provide them with opportunities to enhance their cognitive, social, and emotional skills, and increase their potential for success in school, work, and life. At the core of these programs is an inherent goal to develop critical thinking, raise achievement levels and life skills, and create a positive outlook for the youth community.

Solutions: KPMG professionals leverage their deep global experience working with public sector agencies to provide practical and trusted advice to support governments as they create more effective and efficient programs aimed at early childhood and youth development. Our teams leverage their extensive capabilities in finance, accounting and consulting to provide a range of valuable services including integrated service delivery, outcome measurement, performance evaluations, and continuous improvement programs to support the public sector policy goals and objectives.

Child welfare

Trends: Child protection programs are designed to protect children from abuse and neglect, encourage healthy and permanent family structures for vulnerable children, and promote family stability. A comprehensive public child protection program includes foster care and adoption services for children whose families are temporarily or permanently unable to care for them, investigation of reported child abuse or neglect, supports that enable at-risk families to remain intact when possible, and protective custody and other options for endangered children.

Solutions: KPMG professionals work with child protection agencies to help assure that no child falls through the cracks. For example, we have assisted clients to establish and embed robust data and analytical capabilities that enable new and effective approaches for child protection. Through our work, we have helped agencies develop and initiate predictive modeling programs that identify those children at greater risk of abuse to enable child protection agencies to take preventative action before the onset of tragic occurrences.

Income security

Trends: Nations facing periods of economic instability, as well as longer-term social dislocations, can experience challenges in ensuring a basic level of economic security for citizens. Yet open-ended benefit programs are becoming increasingly unsustainable in an era of deficit reduction. Tying economic supports to other social goals, such as employment engagement or steps toward improved health and well-being, can better leverage the core investments made. Equally critical is the need for rigorous integrity measures that ensure payments are made to the right beneficiaries at the right times and in the right amounts to maximize limited resources and create continued public confidence in social welfare programs.

Solutions: KPMG professionals leverage their deep expertise in strategy and controls to support income security programs around the world. For example, our professional forensic audit teams not only investigate allegations of fraud, but also help governments implement systems and controls that proactively prevent misuse of funds and fraud before it happens. KPMG's technology professionals have also assisted income security agencies by identifying and implementing new and innovative approaches to service delivery that, for example, allow Internet-based applications and screening processes, thereby reducing the number of costly and time-consuming visits to government offices.

“One of the great attributes of KPMG’s global Human & Social Services practice is that we have people with direct experience in delivering services, running services – both for government and the community services sector – along with substantive policy experience. We have been in the field delivering services, as a result, we can pull from our knowledge and skills to bring a well rounded set of offerings that create a degree of confidence for our clients,” noted **Liz Forsyth, Human & Social Services Practice Leader, KPMG in Australia.** “What really makes us stand apart is that we stick with our clients through implementation and beyond. It’s not about handing over a report and walking away; we transfer our skills and knowledge wherever possible to help grow our clients’ capacity while achieving the objectives that are set for us.”



Nutritional support

Trends: Ensuring that basic nutritional needs are met is a fundamental social requirement, as well as a building block for healthy development of children and stronger families and communities. Public sector agencies are often faced with challenges in meeting these needs across the demographic and geographic spectrum, but can also capitalize on opportunities to use nutrition support programs to achieve other goals, such as enhanced school attendance and performance.

Solutions: With a keen appreciation of the interconnection between childhood nutrition, education, health and welfare, KPMG professionals support a range of nutritional support providers to design, implement and evaluate nutrition programs to help them meet their public, financial and policy goals. Working across the stakeholder community – including government agencies, schools, service providers and local communities – KPMG professionals help clients create lasting outcomes for children around the world.

Employment training/welfare to work

Trends: Employment training/welfare to work programs focus on empowering individuals with skills and experience that support their entry into – or success in – the workforce. These programs assess and address the barriers to employability that participants face, and provide them with the tools to achieve self-sufficiency and independence from public benefits. Effective welfare to work strategies can also reap significant financial advantages for countries, moving individuals on a large scale from benefit recipients to productive contributors as taxpayers.

Solutions: KPMG professionals have a strong track record in assisting government clients to transform their existing national work programs by developing practical strategies and approaches for implementing welfare to work programs. From working with community-based and non-profit partners to establishing creative contracting methods that include performance-based models, we have extensive experience helping government agencies align the goals of the providers to the mission of the individual agencies.



Senior/aging populations

Trends: In order to serve a growing senior population and address issues of fiscal sustainability, many countries are exploring ways to transition service systems from costly institution-based care to home and community-based services. Ultimately, these broad-based service transformations, if done carefully and correctly, can not only enhance client satisfaction and system-wide cost-effectiveness, but provide the means by which seniors can maintain their health and independence for as long as possible.

Solutions: To achieve these goals, KPMG professionals work with public sector clients to develop, implement, and assess program and funding strategies that transcend traditional program boundaries, span the health and human services divide, and develop a broader view of public sector investment to achieve globally-defined outcomes. We have worked with clients around the world to develop strategies that drive more efficient program management by leveraging technology and systems, and have helped agencies to identify and address their client needs, as well as track the success of their programs to help create opportunities for continuous improvement.

Disability services

Trends: A significant proportion of resident populations in all countries have one or more disabilities that limit their daily activities and detract from their optimal quality of life. These individuals tackle challenges that vary in nature, severity, and duration. Human services programs aim to assist people with disabilities in achieving their maximum potential and engagement in society.

Solutions: Working closely with key stakeholders and government agencies, KPMG professionals help people with disabilities to maximize their well-being and independence through a range of key services such as the design of targeted employment strategies, the strengthening of service contracting models to better identify and mitigate provider risks, and the management of complex business transformation projects that reflect the needs and inputs of program stakeholders and institutions.

“I often hear that what our clients find most valuable about KPMG’s global Human & Social Services practice is that we appreciate the range of issues and challenges that our clients face, whether that is tax, audit, risk, technology or management consulting,” said **Lorna Stark, State & Local Government Practice Leader, KPMG in the US**. “And by working as part of a global network of member firms, we are able to connect some of the great work happening globally in this sector with the local realities on the ground to create really valuable, practical and actionable results for our clients both in the US and around the world.”

Housing/homelessness

Trends: Addressing housing needs and preventing homelessness effectively calls for a comprehensive mix of housing options and supportive services that create stable and affordable living situations for low-income and vulnerable individuals and families, and that address the varying root causes of homelessness for those at greatest risk. Comprehensive and effective programs are designed to maintain a supply of housing options that contribute to vibrant and diverse communities that keep shelter within the reach of those whose economic status is fragile, and that help those who are least able to help themselves by being proactive in the prevention of homelessness.

Solutions: KPMG professionals are deeply committed to responding to the growing homelessness crisis gripping many jurisdictions around the world. We work with agencies to design seamless and efficient intake programs, track demand and align capacity, and support programs that help the homeless achieve permanent housing. Beyond in-office work, we have also donated thousands of hours to community outreach programs to help close the gap between service administration and actual provision.

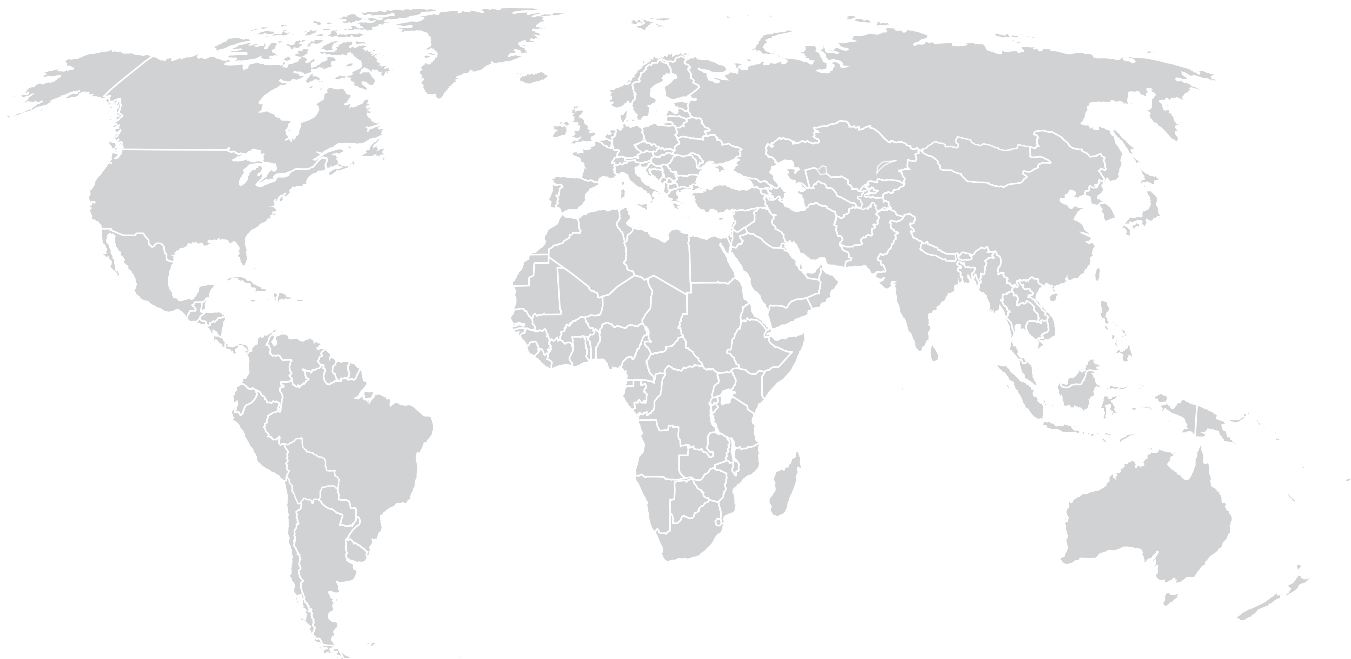


Local solutions with global insight

In approximately 152 countries, including almost every developing and emerging economy around the world, KPMG’s network of member firms combine a wealth of global experience with hands-on local insight.

With approximately 145,000 professionals globally, KPMG offers a multidisciplinary and high-performing team with a deep repository of skills and established approaches to cut through the complexities facing our world. Through this vast network, the KPMG Human & Social Services team delivers tailored solutions to meet clients’ needs.

KPMG’s network of professionals provide unique global insights and effective local solutions, and operate in the following countries. Additionally, through its regional hubs, KPMG provides services in almost every country on the planet.



KPMG Member firm locations

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Belarus	Fiji	Lebanon	Romania	United Arab Emirates
Belgium	Finland	Liechtenstein	Russia	United Kingdom
Bermuda	France	Lithuania	Rwanda	United States of America
Bosnia & Herzegovina	French Polynesia	Luxembourg	Saudi Arabia	Uruguay
Botswana	Georgia	Macedonia	Senegal	Venezuela
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Chile	Iceland	Montenegro	St Lucia	
		Morocco		

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Assessing and improving **child welfare reform outcomes**

Victoria's Child and Family Services Sector



Since 2008, the Child and Family Services sector in the Australian state of Victoria has been undertaking a significant program of reform aimed at achieving the best possible outcomes for vulnerable children, young people and their families. The reforms have focused on creating change at a number of different levels: placing the best interests of children at the centre, better integrating services that work with vulnerable families, supporting both professionals and vulnerable children and families to access community-based earlier intervention services and ultimately, improving outcomes for children and families involved with Child Protection, Out of Home Care and Family Services.

In order to assess the value of the reforms and support continuous learning over the reform implementation period, KPMG in Australia was engaged to undertake a three-year evaluation of the reforms.

“KPMG in Australia helped us to understand and demonstrate the value of this wide ranging reform agenda and to identify future opportunities to improve services to vulnerable children and families,” noted **Mick Naughton, Director, Child Protection Workforce Reform, Department of Human Services, Victoria**. “Their mixed method approach provided our government and workforce an independent perspective on what aspects of the reforms were working and what other action we needed to take to support outcomes for vulnerable children, young people and families.”

Taking a holistic view of change

Founded in the Children, Youth and Families Act of 2005, the government recognized that – to ensure the reforms were achieving the stated policy objectives and be accountable to ongoing funding – they would need to put a rigorous evaluation process in place.

To manage such a wide-scale and long-term evaluation and support the capacity for continuous learning throughout the evaluation period, the department required the support of an independent evaluator that could offer a more holistic view of the reforms. A strong understanding of the Child and Family Services System, a strong evaluation capability and expertise in data analysis would be demanded, as would an ability to qualitatively assess the impact of the reforms on the various stakeholders involved: the departmental workforce, its service providers, related professionals who may report to Child Protection and vulnerable children, young people and families themselves.

Leveraging experience to drive success

With a long and successful history of collaboration with the Child and Family Services sector, the department selected KPMG in Australia to develop and conduct the evaluation. The firm had been involved in developing key elements of the programs of reforms, as well as the creation of the performance standards that would ultimately define how the new services would operate.

Based on this hands-on experience and the Australian firm’s ability to draw on a strong bench of professionals with both direct service delivery and policy-based experience, KPMG developed a robust evaluation framework aimed at assessing the implementation of the reforms to improve services going forward.

Painting a clear picture

Central to the evaluation was the Australian firm’s development of a mixed methods approach that

combined quantitative and qualitative analysis to deliver a clear vision of the progress and achievements.

For example, the team conducted a series of case studies to evaluate the impact of introducing community based earlier intervention services within a variety of diverse locations across the State; these locations included a spread of metropolitan and rural areas, those that had higher Aboriginal populations and those that had different levels of community need and risk. The team also developed a workforce survey that was deployed at various points during the reform process to ascertain the change and impact of the reforms on Child Protection, Out of Home Care and Family Services workforce. This was further augmented by focus groups and workshops with individuals such as family service workers who were responsible for embedding the change into their practices.

Reaping the benefits of success

As a result of their work, the KPMG team delivered a series of in-depth and practical reports that enabled the government to not only track the progress of the reforms, but also to identify opportunities for further reform.

Furthermore, the evaluation has also contributed to other policy decisions for the Department of Human Services Victoria, particularly in designing the Child Protection workforce reform program.

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Integrating human services to enhance results

New York City's HHS-Connect project



Having recognized the benefits of leveraging modern technology and coordinating agency practices to deliver more effective and efficient health and human services to New Yorkers, the city administration needed to ensure that the integration initiative achieved both its strategic vision and financial goals.

Ensuring effective outcomes

With benefits access and service delivery responsibility in NYC spanning nine health and human services agencies (Human Resources Administration, Department of Homeless Services, Health and Hospitals Corporation, Administration for Children's Services, Department for the Aging, Department of

Correction, Department of Probation, Department of Juvenile Justice, Department of Health and Mental Hygiene), each with their own legacy applications, interface policies and information exchange processes, it was clear that the integration project – known as HHS-Connect – was going to be a massive and complex undertaking for the city. What's more, with more than a hundred million dollars worth of budget on the line, it would be

vital that the project be managed as efficiently as possible and with the highest level of accountability.

To achieve this, the administration recognized that they would need to engage an independent and experienced partner who could provide objective assessments of whether the project was being delivered effectively, taking advantage of efficiencies and aligned to policy objectives and global best practices.

Tapping into deep experience

Recognizing their extensive Project Management and Quality Assurance (PM/QA) experience and their deep insight into the unique intricacies of the NYC health and human services marketplace, the city administration engaged KPMG in the US to provide trusted and independent advice on various aspects of the integration project.

Having worked closely with the city between 2004 and 2007 to deploy the ACCESS NYC program which created a web-based tool that allowed residents to screen for eligibility for a wide range of service programs including TANF (the Temporary Assistance for Needy Families program), public health insurance (including Medicaid) and SNAP (Supplemental Nutrition Assistance Program), the KPMG team leveraged

their unique depth of insight into the integration challenges faced by NYC to help support the development of this new and expanded integration initiative.

The administration also looked to KPMG's team of professionals to develop the initial project requirements that would be used to steer the implementation and, based on those requirements, assist the city in the selection of the systems integrator that would manage the project. KPMG would then be responsible for conducting PM/QA services to the administration to deliver the project as efficiently and effectively as possible.

Connecting the dots

By leveraging KPMG's deep subject matter expertise, the team was quickly able to assess the fundamental requirements of the nine different government income security agencies

and identify the commonalities that would be key to achieving the proposed integration.

With the project requirements in hand, the KPMG team set about assisting the city administration in defining the approach and process for identifying and engaging a systems integrator capable of executing the complex project requirements to a high standard.

Utilizing their proprietary PM/QA methodology, the KPMG team – on an ongoing basis – has also been instrumental in helping the administration to identify risks that could result in project failures or add unnecessary complexity, thereby enabling the project team to keep the program on track and achieve objectives.

A recognized success story

HHS-Connect has already achieved a number of significant milestones including the launch of the new Worker Portal which integrates the various HHS agencies to allow greater collaboration and effective data sharing. In turn, the portal has improved how the agencies serve their common clients by creating a single agency database that includes information on client demographics, family composition, and benefit details.

Largely due to the PM/QA services delivered by KPMG in the US, the project has been widely hailed as a success and has created a new leading practice for major cities around the world.

“KPMG in the US brought a deep set of capabilities and experiences to the project that have added value in almost every step from design through to implementation,” noted **Isidore Sobkowski, CIO and Executive Director of New York City's HHS-Connect**. “We've relied on KPMG's team to help us not only identify potential issues, but also to work through risk mitigation options to help us deliver real value for the tax payers' investment.”

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Enhancing Program Effectiveness

Australia's School Nutrition Program in the Northern Territory



Having implemented a School Nutrition Program (SNP) in 2007 in Aboriginal communities in the Northern Territory, the Australian Government's Department of Education, Employment and Workplace Relations sought to conduct an evaluation of the program in 2011 to ascertain whether the initiative had met its objectives.

Setting the table

As part of the Northern Territory Emergency Response, the SNP aimed to address school enrolment and attendance challenges in remote communities by providing students with daily breakfast and/or lunch. The program was expected to not only improve child health and wellbeing, but also enhance parent and community engagement through employment in the program. Having reached the end of its four year mandate, the Department of Education, Employment

and Workplace Relations wanted to conduct an evaluation to understand the impact of their investment and potential benefits of the program.

However, the program administrators faced a number of challenges in conducting the evaluation. For one, the remote location of the participating communities meant that stakeholder feedback was difficult to collect and analyze. Moreover, reliable program data was either unavailable or inconsistent, which severely impacted the collection of quantitative results.

“KPMG in Australia went to great lengths to deliver an independent, robust and insightful assessment of the SNP program which, given the remote location of the constituents was a considerable feat, by building trust within the community and providing a rigorous structure for the evaluation, we now have valuable data with which to assess our investment.” **DEEWR Officer NT.**”

The right ingredients

As a result, the department looked to KPMG in Australia to develop and execute an evaluation strategy that would provide reliable and actionable results to program administrators.

Leveraging their deep experience in both program evaluation and Aboriginal affairs, the KPMG team quickly set about creating a practical approach that included extensive consultation processes and secondary analysis of program information to paint an independent and clear picture of the impact of the School Nutrition Program.

A recipe for success

To achieve these objectives, the KPMG team mobilized their team to put ‘boots on the ground’ in twelve of the remote communities in order to conduct in-person consultations with local stakeholders and participants. Findings from these interviews were

then augmented through an electronic survey of all SNP providers and Northern Territory school principals to develop a greater understanding of the effectiveness of the program.

Recognizing the need to place these results within the context of the broader policy objectives, the team also conducted consultations with officials from a number of government agencies including those responsible for health, education, employment, housing and community services, and juxtaposed their findings against relevant national and international school nutrition and community development strategies.

Food for thought

A key success factor behind the evaluation was the KPMG team’s focus on respecting the culture of the local communities.

Not only did the team ensure their dress and approach reflected cultural

norms, but they also engaged respected Aboriginal leaders who joined the team on site visits to help open doors and ease their introduction into local communities.

Nourishing outcomes

As a result of their work, the KPMG team was able to deliver a robust evaluation of the program’s governance, administration, sustainability and funding arrangements and found consistent anecdotal evidence that the program had a positive effect on student behavior, engagement and child health.

KPMG’s independent findings will be a key component of the Australian government’s assessment of the program and will likely inform the global debate on the linkages between school food programs and child welfare.

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Transforming **the model of care**

The States of Jersey's Adult Social Care Program



With a population of just 93,000 nestled within an area of 119 square kilometers, the British Crown Dependency of Jersey provides a range of social care and health services to its senior citizens. But due to diseconomies of scale and challenges related to maintaining professional and high-quality social care and health services, the island faces unsustainable long-term costs to maintain its services.

The transformation required for this engagement was quite significant and the model itself has been successfully used in a number of other jurisdictions including a group of five local authorities and healthcare partners in the South East Midland area of the UK.

Rapidly changing age distribution

Like many other Western jurisdictions, Jersey faces significant demographic and economic challenges, particularly for the delivery of senior services. Within the next 20 years, the number of seniors (those over 65 years of age) is predicted to increase by 65 percent.

This will clearly create a huge surge in demand that will likely overwhelm the current capacity of existing services, particularly as the proportion of people with multiple long-term conditions rises disproportionately.

Following a thorough Comprehensive Spending Review, the government is seeking to achieve savings of

10 percent over a three-year term. However, with the state and layout of much of the existing healthcare estate demanding significant investment, the jurisdiction is under intense pressure to secure positive and sustainable change for their senior population while operating within a complex and financially constrained system.

“The KPMG team in the UK has adopted a fresh and innovative approach in their work with us and have provided a very strong focus on clinical quality,” noted Julie Garbutt, Chief Executive, Health & Social Services Department. “They have recognized our need to develop a locally owned and well understood strategy that is sustainable and also, in today’s financial climate, can be seen to be affordable.”

Building consensus for change

Working with a team of experts from KPMG in the UK, the States of Jersey initiated a holistic program aimed at developing and executing a change program with the potential to create a safe, sustainable and affordable set of senior services. To achieve this, the plan takes a 30-year perspective on the future needs of the island’s senior population rather than simply focusing on achieving ‘quick fixes’ within the system.

From the start, the program placed a strong focus on stakeholder management in order to involve all players in the system from social care and GPs through to private and third sector participants. It has also involved a wide range of government departments and functions that participate in the delivery of social care and health.

The journey – which has taken the States from diagnostic review and assessment through to design and planning and finally into the implementation state – has also focused on extensive public consultation

and the collaborative development of business cases, care pathways and infrastructure systems in order to adequately support the transition.

Delivering safer, more sustainable and affordable care

Through the implementation phase anticipated to continue into 2020, the program is expected to deliver a range of critical benefits to not only the government but also the island’s senior population. For example, the initiative should result in greater structural and professional integration through

team-style working and the enhanced role of nursing and allied health professionals; the standardization of processes; a more client-centered approach with an expanded range of services tailored to the individual; and greater use of non-institutional social care models such as supported home care and community care for older adults.

It is estimated that the work conducted by KPMG will lead to approximately 50 percent fewer non-elective admissions to hospitals and that approximately 2,400 would-be patients will be catered for in the community where they will be serviced through a combination of social care and health professionals.

“I think the KPMG report asks all the right questions and gives us a clear picture about what might be possible in the future,” noted Stuart Brook, Former Managing Director of Community and Social Services. “KPMG in the UK draws good practices from their experience in other parts of the world including the UK and Europe, and gives us a strong vision of what services could be like in the future.”

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Bringing consistent and effective services to people with disabilities

The province of Alberta's persons with developmental disabilities (PDD) Program



With a mandate to support approximately 9,300 adults with developmental disabilities, The Province of Alberta's PDD Program provides funding for supports that help individuals in their homes, their communities and their workplace.

Delivering a consistent service level while reducing costs

While Alberta's PDD Program is unified under a common vision and mission, the organization's services and administration are delivered through six semi-autonomous regional authorities. However, since its inception, the Program has become increasingly expensive to manage and administer. In addition,

evidence was starting to show that the individual regional authorities were delivering somewhat inconsistent service levels across the province.

As a result, the Government of Alberta and the Ministry of Human Services have been taking a long hard look at the existing system to identify opportunities and initiatives that could enhance consistency, effectiveness and efficiency of service while maximizing the PDD Program's budget.

Building stepping stones to transformation

Starting in 2006, the Ministry responsible for PDD began a series of discrete projects aimed at achieving a number of quick fixes within the overall program and the individual authorities. To support their efforts, the Province has outlined nine 'Change Initiatives' that are intended to drive a transformation in the way that the Program serves its clients.

“KPMG in Canada’s broad scope of work has touched almost all facets of the PDD Program and – by providing independent and trusted advice to our CEOs and Executive Directors – has helped us shape the vision for disability services in the province going forward,” noted **Brenda Lee Doyle, Assistant Deputy Minister, Community Disability Supports Division, Ministry of Human Services.** “Their insight, experience and practical advice has really helped position us to achieve rapid success in our future transformation program.”

Because of KPMG in Canada’s long history of collaboration with the Province of Alberta and proven expertise in the disability services sector, the Ministry engaged KPMG in Canada to provide an independent and expert view across a range of separate but interrelated projects.

Developing a roadmap to success

From the analysis of process design and opportunities for program integration through to funding model development and the implementation of demonstration projects, the KPMG team has worked closely with the individual authorities to build a body of knowledge and practical activities aimed at bringing more consistent and cost-effective services to the organization’s clients.

For example, in 2010, KPMG in Canada was engaged to review the efficiency and effectiveness of the overall PDD Program in order to identify opportunities for improvement within the administration that could result in realized cost savings. The final report identified a number of areas where the PDD could improve efficiency and reduce administrative costs by adopting a new organizational model, a new governance approach and a more efficient network of service providers for the PDD Program.

The KPMG team provided recommendations to bring consistency to service delivery, improve cost efficiency, create stronger community governance and leverage technology to create an integrated approach.

While KPMG’s recommendations are currently under review by the Ministry, the findings are widely expected to catalyze change across the Program overall.

Starting down the path to consistent service delivery

Through KPMG’s body of work, the Ministry and the PDD Program have now formed a baseline upon which to build improvements that can bring about greater consistency, effectiveness and efficiency to the quality of service delivered to the Program’s clients.

Moreover, the initiatives have delivered keen insights and lessons learned that will help drive the pace and adoption of the long-term transformation program.

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Helping deliver more effective and **efficient services to children in need**

New York City's Administration for Children's Services (ACS)



As New York City's child welfare agency, ACS is dedicated to protecting children, strengthening families and providing Child Care and Head Start programs to New York citizens. To achieve its mission, the agency works with more than 2,000 contracted and 20,000 voucher providers of subsidized Child Care and Head Start services.

Creating the capacity for greater caring

While ACS is best known for the provision of child welfare and protection services, the agency also administers other critical programs aimed at delivering child care services and early education for families in need. Although the programs, known as Child Care and Head Start, are effectively run as separate programs, they often serve the same clients and therefore maintain a number of overlapping processes.

The two programs were facing significant capacity shortages and quickly recognized that greater efficiency could be gained by sharing an integrated system. Moreover, Child Care's existing legacy system was rapidly becoming outdated, making upgrades and adjustments difficult and costly to execute. Head Start, on the other hand, was largely managed via manual processes and spreadsheets. This created challenges in the Federal Claiming process and led to reduced

efficiency and increased potential for inaccuracies.

As a result, the leadership of ACS initiated a strategic initiative to consolidate the administration of these two programs and develop a comprehensive system capable of supporting the business processes of both programs in order to better serve clients, enhance overall efficiency and create a single avenue of service for citizens and service providers.

“By selecting KPMG in the US to support the full end-to-end program, we have achieved a level of consistency and continuity as well as a set of requirements that truly represent our business needs, which could not have been achieved with numerous vendors,” noted Donald Brosen, ACS Deputy Commissioner. “What’s more, by leveraging their deep functional insight and sector experience, the KPMG team was able to add exceptional value by identifying potential risks and helping us plan our organization’s future state so that we could continue delivering our services throughout the initiative.”

Transforming processes with enabling technology

To support their initiative, ACS engaged KPMG in the US to provide business process analysis, requirements definition, and project monitoring and quality assurance (PMQA) services that would take the agency from project inception through to completion. KPMG worked with ACS to perform a business process analysis effort to help define a future state that streamlined the separate administrative processes for the two programs. KPMG then worked with ACS to define a set of requirements based on this future state that truly reflected the needs of each program. Once requirements were finalized, KPMG also performed a feasibility study and gap analysis against available solutions, and ultimately assisted the city in selecting a Commercial Off the Shelf (COTS) software package best suited for

the project’s needs and assisted with the selection of a systems integrator.

Working closely with program administrators, clients and service providers, the team from KPMG set about developing a comprehensive catalogue of more than 2,000 specific requirements across a range of key categories such as eligibility, enrollment, attendance, facility management and provider management, budget, payments, and claims. To ensure that all business needs would be addressed by the requirements, the team also conducted a series of facilitated sessions with community users and service providers to gain their insight into the challenges and needs that they faced when working with the programs.

Based on these requirements, the KPMG team reviewed a number of existing software solutions in the market to develop a fit/gap assessment that would help the agency understand the merits of either purchasing an ‘off the shelf’

solution or developing a proprietary solution to meet ACS’s business needs.

With clear insight into both the requirements and the system options, the team then worked with the agency to develop a Request for Proposal to engage a systems integrator capable of accomplishing the implementation within the timelines, budget, and scope demanded. KPMG also supported the process by providing selection assistance services and contract reviews to help the agency identify the potential risks, interdependencies, and requirements and – where possible – mitigate them.

Throughout the proposed implementation, KPMG was tasked with providing project management and quality assurance services to help ACS ensure that the project was going to plan and successfully delivering their defined requirements.

Delivering value

Having documented and approved the specific business requirements for both programs, ACS was able to clearly identify potential risks and help ensure that the investment would deliver the efficiencies, functionality, and enhanced capacity that was demanded by administrators, case workers, service providers, and – most importantly – clients.

In addition, by working with a single vendor from the assessment of requirements stage through to quality assurance, the agency will be better able to trace alignment to their requirements across the full project lifecycle including the design, development, build, and test phases.

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