

# Conclusions and recommendations of the National Audit Office

## Steering of cross-administrative sets of measures

The audit focused on the steering instruments and structures used by the central government to steer cross-administrative sets of measures. Cross-administrative sets of measures refer to those in which measures in several different administrative branches are required to attain the objectives.

The National Audit Office considers it important that the central government aims to respond to complex societal problems by means of coordinated co-operation between different administrative branches. Performance management developed for the line organisation has proven to be ill suited for steering associated with this aim. The audit described steering that is based on political steering by means of a cross-administrative goal-oriented management model.

The audit was conducted by means of both general and upper-level examination of administration and case examinations. The examination of individual cases focused on cross-administrative steering structures and procedures for urban policy, combat against the grey economy and economic crime, and efforts to promote the circular economy and improve the well-being of children and families with young children. All cases examined were well-established sets of measures manifested at the political level that concerned several different administrative branches.

## Cross-administrative objectives spring from the Government Programme

Political steering refers to steering by political actors underpinned by value-based choices at different stages of the preparative work carried out in ministries. The Government Programme is a key tool for political steering. In keeping with the division of responsibilities set out in the Government's Rules of Procedure, the Government Programme obliges the ministries politically to promote the achievement of the objectives set in it. Additionally, under section 2 of the Government Act the ministries must work together when preparing matters. Combined, these requirements create a strong foundation and even an obligation to engage in co-operation across the boundaries of administrative branches in order to promote the achievement of Government Programme objectives that are relevant to several administrative branches. However, this is not always fully realised in practice.

The entries in the Government Programmes vary in terms of whether they only concern an aim or whether more detailed policies or even measures to be selected have been agreed upon when forming the Government. Detailed Government Programme entries concerning cross-administrative sets of measures restrict the administration's possibilities of influencing the selection of the most appropriate

means for achieving the objective. During the previous two parliamentary terms, the administration's possibilities of exerting influence were supported by taking into account proposals for measures arising from preparatory work carried out by public officials in the action plans that add detail to the Government Programme. This engagement of the administration, which was coordinated by the Prime Minister's Office, was based on ministries rather than cross-administrative issues. In some cases, the Government has mandated the administration or appointed a separate composition to define the more detailed objectives or measures and accepted their results as part of cross-administrative sets of measures. Such actions make it possible to reduce ambiguities of individual Government Programme entries that have been experienced as problematic in the implementation phase.

The audit did not assess value-based policy-making or focus on interactions between political actors. However, political steering plays a particularly important role for the administration in enabling a cross-administrative approach from the perspectives of competence, resources and building of an operating culture. As a rule, cross-administrative co-operation is not considered possible without a separate mandate derived from a Government Programme entry and political commitment regarding resource allocation. On the other hand, new political objectives or individual measures decided during the government term may affect the administration's possibilities of advancing cross-administrative sets of measures. Political steering can also take such forms as the appointment of a minister to assume responsibility for a theme, a single minister's strong involvement in directing a cross-administrative set of measures, or close collaboration between the ministers of the administrative branches participating in a cross-administrative set of measures. The audit's findings indicate that political steering at a personal level may be particularly significant for those cross-administrative sets of measures in which co-operation between the participating administrative branches is experienced as problematic.

## The administration's common structures had no supportive effect on the steering of the audited cross-administrative sets of measures

The Government has a number of cross-administrative structures. From the perspective of their composition and tasks or their steering model, the most significant structures in terms of steering individual cross-administrative sets of measures are ministerial working groups appointed by a government decision that change from one government term to the next, the Permanent Secretaries' meeting, as well as the system for coordinating EU affairs. Government-level guidance and support are additionally provided by the Prime Minister's Office and the Ministry of Finance. The way information management is organised and other technical prerequisites also play a role in how the cross-administrative approach is realised in practice.

The number of ministerial working groups is limited, and they often deal with quite a broad range of themes. This means that individual cross-administrative

sets of measures carry little weight in their discussions. The audit also found that, even if a ministerial working group had been appointed to deal with a single cross-administrative set of measures, its structures and work did not provide sufficient support for the administration in setting the strategic policies of the cross-administrative set of measures and promoting the achievement of its overall objectives. As ministerial working groups are typically appointed to work on cross-administrative themes, as a basic premise they have potential to identify and define key structures of cross-administrative sets of measures and to promote these measures at a strategic level. A cross-administrative composition and effective collaboration of ministerial working groups' secretariats, which consist of government officials, can play an important role in this. The secretariats of ministerial working groups focusing on cross-administrative sets of measures should ensure that the administrative branches involved in the measures participate in preparation work.

In the audit, co-operation between the Permanent Secretaries did not appear to be particularly significant in terms of steering cross-administrative sets of measures. The meeting of Permanent Secretaries is an inter-ministerial co-operation body which, under section 10(3) of the Government's Rules of Procedure, is tasked to support the Government's leadership. The Permanent Secretaries' meetings discuss issues at a relatively general level, however. This is why it would be more appropriate to deal with cross-administrative sets of measures that only concern a few administrative branches under the leadership of the Permanent Secretaries of these administrative branches in keeping with section 45 of the Government's Rules of Procedure.

The Finnish system for coordinating EU affairs is exceptionally inclusive by international comparisons and consequently a good example of how cross-administrative cooperation can be implemented in central government. It provides support for formulating positions on EU matters between the administration and stakeholders, between the Government and Parliament, and also between different administrative branches within the Government. The coordination system offers strong cross-administrative support for formulating positions on EU matters. As a steering model it is cumbersome, however, and consequently not suitable for smaller cross-administrative sets of measures. The audit brought to light various factors associated with the nature and context of cross-administrative sets of measures that affect the selection of the most appropriate steering structure.

The Government Strategy Department at the Prime Minister's Office plays an important coordinating role in supporting the Prime Minister's leadership. In the absence of statutory mandates, however, the Government Strategy Department's steering relies on soft methods and provision of support and, in the absence of a view of cross-administrative sets of measures, its coordination remains at the technical level. In the Ministry of Finance, the support for leadership provided by the Public Governance Department has so far not targeted such substance areas that only concern a handful of administrative branches. Performance management, which the Ministry of Finance is responsible for developing, is ill-suited for cross-administrative sets of measures. However, a cross-administrative network associated with performance management could have something to

offer at the technical and practical levels in terms of how different steering systems could support cross-administrative sets of measures.

## Permanence of a cross-administrative co-operation structure improves preconditions for collaboration

When tackling cross-administrative sets of measures, the authorities need not only political steering but also each other's expertise and powers to solve difficult societal problems together. The audit found that, in the best-case scenario, co-operation between different administrative branches creates an operating culture that enables a comprehensive approach, consideration of different perspectives, and coming up with more comprehensive and efficient solutions.

Cross-administrative steering structures provide a platform for co-operation as the administration promotes the achievement of objectives set for it by political means. Typically, cross-administrative steering structures are compositions set up as different projects, strategies or programmes are created or implemented that may involve not only authorities but also parties outside the administration. Co-operation through steering structures helps the administration to formulate a common view.

The permanence of the steering structure (in relation to the term of the activities to be promoted) plays a particularly important role in the culture of working together in different administrative branches, increasing operational efficiency. The permanence of the structure promotes an understanding of the activities and powers of the collaborating authorities, which facilitates the co-operation. Permanence increases understanding and trust at a personal level and also lowers the threshold for working together outside the structure. It reduces dependence on specific persons and the risks arising from it, safeguarding continuity. On the other hand, an inability of the organisational units involved in the set of measures to find interconnections may undermine the steering structure's preconditions for creating a culture of cross-administrative co-operation. The ministry responsible for the set of measures has a special duty in this regard. The preconditions are also undermined by inadequate support from the management of the participating line organisations. Such problems may manifest themselves as an imbalance of perspectives between the administrative branches.

The audit findings indicate that cross-administrative steering structures, co-operation, shared views of the objectives and the measures required to achieve them as well as operating culture have strong interconnections, and they have an impact on to what extent the co-operation is experienced as fruitful. This also means that there are many different routes to putting cross-administrative co-operation on a permanent footing.

## Recommendations of the National Audit Office

Based on the audit, the National Audit Office issues the following recommendations:

1. The Prime Minister's Office should identify the co-operation structures of key cross-administrative sets of measures already underway in the administration. This would improve the preconditions of the Prime Minister's Office for providing support for defining the measures that support the achievement of cross-administrative objectives and for monitoring the sets of measures.
2. The persons responsible for the administration's co-operation structures that steer key individual cross-administrative sets of measures should have a possibility to report on progress made towards the objectives defined for the set of measures to the Prime Minister's Office. Currently, individual measures are mainly reported on through the responsible ministries.