

Recommendations

The Working Group makes the following recommendations.

The Report on Government Services

1. Subject to the performance reporting framework established by COAG in the IGA, the ROGS should continue to be the key tool to measure and report on the productive efficiency and cost effectiveness of government services. The COAG Reform Council should remain the authoritative source for analysing and reporting on outcomes and performance benchmarks as provided under the IGA.
2. The ROGS should be refined better to meet contemporary performance measurement needs and enable it to be more dynamic to adapt to future needs. ROGS also needs to adapt to complement the new NPRS and IGA. Refinements to the ROGS should include:
 - a) formalising and strengthening its current informal principle-based approach to development of new service areas, performance indicators and data development and collection, and applying it to a systematic review of existing performance indicators;
 - b) adapting and updating the way the ROGS provides information so that it is truly accessible to the public, thereby improving accountability; and
 - c) reinforcing its culture and practice of continuous improvement to ensure it continues to meet the evolving landscape.
3. All jurisdictions should provide and facilitate the provision, as appropriate, of all necessary data to ensure the ROGS fulfils its role, as they do for the National Agreements under the IGA, and as the basis for the philosophy of continuous improvement in government service delivery that underpins the ROGS.

4. The ROGS should continue to collect, collate and publish data on the service delivery sectors it covers now, and against its current agreed performance indicators, noting the proposed review in recommendations six and eight below, subject to these indicators being consistent with indicators supporting the National Agreements.
5. Within its focus on effectiveness and efficiency, the ROGS has an important ongoing role with respect to continuing to collect and publish performance information in areas within the scope of the National Agreements.
6. Where there is overlap between the ROGS collection of data and collection as defined under the National Agreements, the indicators agreed under the National Agreements have primacy, collection requirements should be adjusted, and duplication and unnecessary data provision burdens for jurisdictions should be avoided. These issues should be reviewed by the Steering Committee in the second quarter of 2010, after the CRC publishes the last of its benchmark reports in the National Agreements.

Performance indicators

7. The SCRGSP should continue its role in driving improvements in data quality over time, in association with data agencies, the CRC, the Ministerial Council for Federal Financial Relations (MCFRR) and the other Ministerial Councils. The aim should be to strike a balance between timeliness and quality in order to maximise the utility of the information. It should adopt a stronger quality assurance role in relation to the ROGS, working with jurisdictions.
8. There should be a review of the ROGS performance indicator framework and individual performance indicators, in time for the 2012 ROGS, to determine their consistency with the characteristics of performance indicators as defined in the IGA. This review should be undertaken by the SCRGSP, supported by the Secretariat, with an independent six member reference group drawn from First Ministers and Treasury officials overseeing the process. It should be completed by the end of 2010.

9. All performance indicators used for the ROGS should comply with the characteristics set out in the IGA - they should be: meaningful; understandable; timely; comparable; administratively simple and cost effective, and accurate - and be otherwise consistent with the NPRS developed and maintained by the MCFRR, of which the ROGS is an important element.
10. Consistent with the review of performance indicators, and to the fullest extent possible, the Steering Committee should ensure the operational aspects of the ROGS retain contemporary relevance and usefulness. To ensure the ROGS continues to be a contemporary and strategic performance reporting tool, the Steering Committee should review its operation every three years, reporting to COAG within three months of the end of every third financial year, commencing at the end of 2011-12. As part of this process, the Steering Committee should advise COAG on jurisdictions' compliance with data provision requirements and where improvements in data collection can be made.

Service provision sectors

11. The ROGS should be a comprehensive repository of information on the provision of government services.
12. The SCRGSP should, during 2011, develop a set of formal criteria to determine whether the ROGS should include particular service sectors in its reporting regime. These criteria, to be approved by COAG, should include, among other considerations, the level of government budget expenditure, policy areas covered by the COAG reform agenda, the costs and benefits of establishing new reporting requirements in the relevant sector, and the availability of comparable performance indicators data consistent with the NPRS, including data characteristics set out in the IGA and the principles set out in this report.
13. The ROGS should include a stronger emphasis on longitudinal reporting on each jurisdiction, including the Commonwealth, so that comparisons can be made both between jurisdictions and within jurisdictions over time, including, subject

to meeting the criteria set out under recommendation 12 above, significant service delivery areas that are jurisdiction-specific.

Highlighting and promoting reforms and innovation

14. The Steering Committee should facilitate the role of the ROGS in encouraging improvements in service delivery and effectiveness through highlighting improvements and innovation, including by selecting on an annual basis a small number of subjects to be developed as case studies.

Publishing and presentation

15. Starting with the 2011 ROGS, the existing two volume compendium should be revised over time to a streamlined report of key indicators, minimising descriptive text, including a concise executive summary.
16. The Steering Committee should establish a ROGS information portal as a repository and primary publication method for ROGS data which enables increased secure manipulation of data, data correlation, reports against indicators more frequently where data is available, and imposes no additional administrative or reporting burden. The development of the information portal should include investigation of how data collection methods can be improved, including how electronic data submission might improve them.
17. The release of data might be staggered, through a web-based format, to provide more up to date information to meet policy and program requirements. Examples of the work of other agencies and international practice should be considered, including the 'Scotland Performs' model to consider what could be adapted to Australia's circumstances in this regard.
18. The publication of the ROGS should take into account the publication of the analytical reports of the CRC on the National Agreements, to maximise the impact of both and to reduce to a minimum any potential for mixed or contradictory messages to be communicated. The effect of the ROGS and the CRC reports on one another should be reviewed after the latter's final

benchmark reports – on health, housing, disability and Indigenous reform - are published at the end of the first quarter of 2010 and 2011. Any recommendations for adjustments to the publication schedules should be made to COAG through the Ministerial Council for Federal Financial Relations.

Terms of Reference

19. New Terms of Reference should be prepared for the Review of Government Service Provision that:
- a) enhance the authority and strategic nature of the SCRGSP, and better clarify its role and responsibilities in having overall responsibility for collating and preparing the National Agreement performance data, including commenting on the quality of the performance indicator data;
 - b) are underpinned by a more detailed charter of operations or list of operational principles that outline, among other matters, decision-making processes;
 - c) acknowledge the ROGS is part of and supports the new federal financial relations framework;
 - d) adopt a principles-based approach;
 - e) highlight the complementary roles played by the ROGS and the CRC reports and allow for communication with the CRC and its work program and approach;
 - f) outline the Steering Committee's role in maintaining a robust set of indicators, consistent with the recommendations of this report, including on new service areas, collecting and collating data, and, in each case, enabling results-based management to improve service delivery, efficiency and performance, provide improved accountability to governments and the public, produce meaningful, balanced, credible comparative information and capture qualitative as well as quantitative change;
 - g) enable the collation of data for these indicators;

- h) provide for the Steering Committee's role in driving improvements in data quality over time, including an elevated quality assurance role;
- i) provide for the Steering Committee to undertake a program of review and continuous improvement in performance information and data that will allow for changes to the scope of the ROGS;
- j) outline the Steering Committee role in encouraging improvements in service delivery and effectiveness through highlighting improvements and innovation; and
- k) highlight the need for senior, cross jurisdictional representation to ensure that it remains authoritative and strategic.

20. The Steering Committee's central role in collecting and publishing data on government service delivery, and the need for timely access to data held by data providers, should be stated in the new terms of reference and mandated by COAG.

Governance

21. Membership of the Steering Committee and working groups should retain the balance it has now and should be cross-jurisdictional and senior in nature, to ensure the SCRGSP remains representative, authoritative and strategic. Data agencies should remain as observers on the Steering Committee.

22. The Chair of the Productivity Commission should remain chair of the Steering Committee and the Productivity Commission should continue to provide secretariat support to the SCRGSP.

23. The consensus approach to decision-making should be maintained. However, where consensus is unable to be achieved, the Steering Committee should use a majority vote, the independent Chair having a casting vote should the Steering Committee be equally divided.

24. To ensure it has a strategic approach, the Steering Committee should ensure the ROGS has regard to the CRC's work program so that it is able to support the CRC's assessment of reforms of governments. This should be explicitly reflected in the new terms of reference, or, alternatively, in a charter of operations.