A photograph of a large, circular architectural structure, possibly a dome or a well, with concentric rings of concrete or stone. The image is tinted in shades of blue, with the center being a lighter, almost white, circular opening.

Council on Federal Financial Relations review of the Report on Government Services and Performance Reporting Dashboard

RGSP Secretariat submission

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Preface

This submission sets out the Review of Government Service Provision Secretariat's (the Secretariat's) response to the Council on Federal Financial Relations' (CFFR) review of the Report on Government Services (RoGS) and the Performance Reporting Dashboard. The Secretariat is housed in the Productivity Commission. This submission is not intended to present the views of the Review of Government Service Provision Steering Committee (the Steering Committee).

This submission primarily focuses on the RoGS, which is the main output of the Secretariat. The submission does not respond to elements of the review terms of reference where there is an established position for the RoGS. This includes the objectives and purpose of performance monitoring and areas covered by the report. The Secretariat continues to support the approach to these matters clearly set out in Part A of the RoGS, Approach to performance reporting.

Key points

- * The RoGS has delivered reliable and robust reporting on government performance in delivering services to Australians for nearly 30 years.
- * The RoGS is used by governments, non-government organisations, researchers and academics and the private sector to inform program development and design, advocate for change, and highlight areas where governments are not meeting community needs or expectations.
- * Supporting transparency and providing information to people outside of government has increased in relative importance over time and is now a key feature of the RoGS report.
- * However, at a time when both labour productivity and multifactor productivity (MFP) are well below their long term averages, the report's original focus on delivering better quality outcomes alongside better value for money – improving the productivity of the public sector – is as important as ever.
- * While it is difficult to link the RoGS to specific policy or program reforms, in part due to an absence of overt analysis or recommendations, there have been recent examples of the RoGS prompting government action in important areas of service delivery. These include reviews into perinatal deaths in Queensland and First Nations over-representation in the justice system the ACT, both based in part on RoGS performance data.
- * The Secretariat believes that linking the Steering Committee more directly into key deliberative and decision-making bodies at the national level, such as National Cabinet or relevant Ministerial Councils, and providing analysis based on RoGS data would build understanding of service delivery performance and further help identify opportunities for reform.
- * There is an opportunity to help users better navigate the report by providing additional analysis of annual data, highlighting key data points, notable trends and new additions, and summarising changes to the operating environment which may impact results.
- * The Secretariat acknowledges that it has been challenging to fulfill the report Term of Reference 'to encourage improvements in service delivery and effectiveness, ROGS should also highlight improvements and innovation'. However, the Secretariat believes that this type of analysis can help the RoGS become a more useful tool for governments.
- * Using the RoGS data to highlight areas where jurisdictions are improving performance, and working with jurisdictions to identify the local programs, policies and strategies driving these improvements, would provide a practical 'value-add' to an already rich source of information.

Introduction

The RoGS has delivered reliable and robust reporting on government performance in delivering services to Australians for nearly 30 years.

The first report, published in 1995, covered eight service delivery areas and around 25% of all Commonwealth, state and territory governments' activities by outlay; today the report covers 17 service delivery areas and around 70% of government recurrent expenditure. The RoGS is now wholly delivered online with interactive data visualisations, machine readable files and a mid-year update that supports more timely access to information.

In 2023, there were over 36,000 views of the RoGS web pages in the month following the annual release and an average 14,800 views in other months.¹ The RoGS is the second most visited section of the Productivity Commission website, after Closing the Gap reporting.

The report is used by governments, non-government organisations, researchers and academics and the private sector to inform program development and design, advocate for change, and highlight areas where governments are not meeting community needs or expectations.

The RoGS provides important information about access to services (equity of access and timeliness); service quality and safety; and costs to governments and individuals that would otherwise not be available.

In doing so, the RoGS supports a healthy democracy by sharing information held by governments with the community, providing data and evidence to support a collective conversation about how things can be done better. The availability of this information is especially vital in sectors where governments are the primary or sole providers and where service users sometimes experience vulnerability.

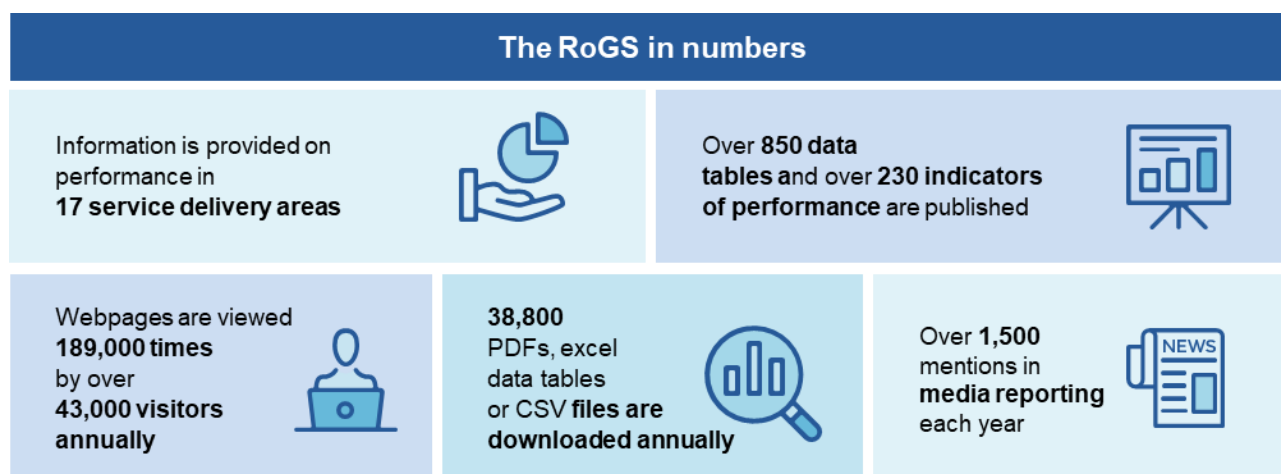
The original purpose of the report was to support 'better outcomes for clients, as well as better value for money for taxpayers, as service providers use these data to improve performance' (SCRCSSP 1995, p.2). However, as governments have moved to digitalise administrative processes and improve the data available to support decision-making processes, supporting transparency and providing information to users outside of government has become a key feature of the RoGS.

The RoGS was established in an era where the collaborative reform efforts of governments were driving significant productivity improvements. As noted by the former Chair of the Steering Committee Gary Banks, 'recognising the gains to the community from these extensive reforms within the 'private', or market, economy, governments realised that there were also large potential gains from improving the productivity of the public sector'. Federation 'provided the opportunity to pursue reform by comparing performance and learning from what other jurisdictions were doing and how they were doing it.' (Banks and McDonald 2012, p. 200-01).

At a time when both labour productivity and multifactor productivity (MFP) are well below their long-term averages, the report's focus on delivering better quality outcomes alongside better value for money – improving the productivity of the public sector – is as valuable as ever.

¹ March through to December 2023.

Figure 1 – The RoGS in numbers^a



a. Numbers are for 2023.

The RoGS approach to measuring performance was world-leading when established, and continues to improve

From its inception, the RoGS has taken a holistic approach to understanding performance, covering both outputs and outcomes across a range of service delivery areas. The first report noted that it ‘represents a significant departure from past practice in this country and has no direct parallels overseas.’ (SCRCSSP 1995, p.5) While the first reports focused on efficiency and effectiveness, later reports also address equity.

The RoGS performance reporting method uses a common performance indicator framework, tailored to each service area and agreed by all governments through the Steering Committee. The RoGS performance indicator framework is based on a program logic model that clearly links government objectives to inputs, outputs and outcomes.

The RoGS conceptual approach is driven by a focus on what is needed to understand performance, rather than data availability. An important aspect of this is that where no data is available to monitor critical aspects of performance, relevant indicators remain to encourage an ongoing focus on data development to address reporting gaps.

At all stages, a pragmatic approach is taken to considering both the value in performance reporting and the practical difficulties in sourcing comparable performance information across jurisdictions.

The Secretariat has a focus on continuous improvement and works with jurisdictions, data providers and parallel data working groups year on year to investigate new performance measures and keep up to date with the development of new data sources.

Periodically, larger-scale structured reviews of the performance indicator frameworks have been undertaken, most recently in 2016 and 2017 when jurisdictions worked together on a wholesale review of section objectives and the underlying performance indicators.

The Secretariat has followed ongoing discussions about opportunities for ‘real time’ performance monitoring and greater use of administrative data sets. Where data can be updated more regularly without increasing the reporting burden for jurisdictions – i.e. integration of data from reports published following the annual RoGS release – this has been accommodated through the introduction of a mid-year update.

The Secretariat advises the Steering Committee and/or working groups of ongoing requests for the expansion of performance reporting and engages on the practicability of introducing new indicators and measures of performance. These requests can come from sources such as:

- Royal Commissions (for example, new measures were introduced following recommendations from the Royal Commission into Institutional Responses to Child Sexual Abuse)
- government stakeholders (for example, custodial inspectors across Australia have written to the Steering Committee Chair requesting the introduction of an indicator and reporting on time out of room in youth justice services)
- external to government (for example, Mission Australia with the Centre for Social Impact and UWA recently released a discussion paper calling for homelessness data disaggregated by intervention type).

In 2009, a combined working group of Senior Officials/Heads of Treasuries tasked by the former Council of Australian Governments (COAG) to undertake a review of the RoGS concluded that 'based on work done for this report, it appears that by international standards, the RoGS is a sophisticated performance measurement tool, using a well-developed framework to guide its work. It has driven considerable data improvement since its inception' (COAG 2009, p.10).

Opportunities identified by the review for improvements to the comprehensiveness, comparability and quality of data, streamlining and reporting timeliness have been progressed by the Steering Committee in the years since the review. In 2021, an article marking 25 years of the RoGS noted that, over the life of the report, 'significant progress has been made and all frameworks include equity, effectiveness, and efficiency indicators' (McGuire et al. 2021 p.988).

Looking forward, one of the biggest opportunities to enhance performance reporting in RoGS is by using linked data sets, a number of which are currently under development. Linked data sets can:

- enhance understanding of service use and outcomes for specific groups (for example, people with disability)
- expand the range of outcome indicators by better tracking post-service experiences (for example, social and economic outcomes for young people exiting the child protection or youth justice systems)
- improve performance data on efficiency by better linking expenditure to outcomes.

The Secretariat notes that developing and maintaining linked data sets is resource intensive, and that key agencies such as the ABS and AIHW will need dedicated resourcing to continue this work.

Opportunities to improve the accessibility, timeliness and use of the reporting products

The Secretariat works to continuously improve the accessibility and timeliness of reporting products. Recent changes to improve the accessibility and usefulness of the RoGS include:

- streamlining the report to reduce overall size, retaining content of the highest policy relevance, and with the strongest links to performance
- moving to a fully online interactive report, with user-friendly interactive data visualisations
- introducing machine readable (CSV) files to support easier manipulation of data.

The Secretariat considers stakeholder feedback on ways the report could be enhanced to support use, accessibility and timeliness, and makes changes where there is a clear case for change. Two recent examples are the re-introduction of PDF files for the 2023 report, and the introduction of all data downloads on a single web page this year.

The Secretariat believes that there is an opportunity to help users navigate the report by making better use of the existing sector overviews. Additional analysis of annual results, highlighting key data points, notable trends and new additions, and summarising changes to the operating environment that may impact results would make the data in the report more accessible and usable, particularly for non-technical users.

This approach would also allow for the inclusion of cross-sectoral analysis, noting the interlinked nature of service delivery and outcomes in many areas.

The effectiveness of the current model of engagement with government and use of data in advancing reform

Historically, it has been difficult to link the RoGS to specific policy or program reforms, attributed by the former Steering Committee Chair Gary Banks as due to ‘the fact that RoGS does not include overt analysis or recommendations’ (Banks and McDonald 2012, p.214). However, Banks did note that there is circumstantial evidence that the comparative data in RoGS helps drive improvements in service delivery.

Despite the difficulty in linking reforms to the RoGS, the report has recently prompted government action in important areas of service delivery:

- This year the Queensland Minister for Health ordered an in-depth clinical review to identify causal factors contributing to increases in the perinatal death rate in Queensland as reported in the 2024 RoGS.
- In 2023 the ACT government announced an Independent Review to reduce First Nations over-representation in the ACT justice system, citing 2023 RoGS data to demonstrate over-representation.

The RGSP Secretariat is an active part of a broader network of government data experts. Secretariat staff work collaboratively on ways to improve the quality of data used by governments for evidence-based policy design, program monitoring and evaluation. Last financial year, members of parliaments in nearly every Australian jurisdiction used the RoGS to support debate on government services covered by the report.

Work undertaken by the Secretariat to specify, source and quality assure data to report on government performance in the RoGS can be used by other agencies to make data available in their own publications and reporting. The Steering Committee has often been a ‘first mover’ in identifying gaps in reporting and pressing for the development of related performance indicators (Banks and McDonald 2012, p.208).

While the RoGS is a report by and for governments (among other stakeholders), there is no direct link between the Steering Committee and key deliberative and decision-making bodies at the national level, such as National Cabinet or relevant Ministerial Councils.

The Secretariat believes that linking the Steering Committee more directly into these forums, and providing analysis based on RoGS data would build understanding of service delivery performance and help identify opportunities for reform. Such analysis could include:

- comparative investment across service delivery areas and relative to demographic changes
- shifts in performance relative to expenditure
- changes in demand or service use
- critical issues relating to service quality and safety
- issues which may have implications for service delivery sustainability
- matters in need of collective attention.

The Secretariat acknowledges that it has been challenging to fulfill the report Term of Reference to ‘encourage improvements in service delivery and effectiveness, ROGS should also highlight improvements and innovation’.

Previous efforts – such as *What Works* – have been discontinued on the basis that the research method used ‘may not always yield practical and useful information for policymakers’ (Productivity Commission 2021, p. 7). In the write-up on the pilot outcomes, the Productivity Commission noted that in ‘complex areas such as social policy, where interventions are often far more context dependent, judgments based on informal knowledge and practical wisdom are also needed to make assessments of the quality and usefulness of evidence’ (Productivity Commission 2021, p. 7).

However, the Secretariat believes that this type of analysis can help the RoGS become a more useful tool for governments, and support achievement of its objective to contribute to the wellbeing of all Australians by encouraging improvements in services. Using the RoGS data to highlight areas where jurisdictions are improving performance, and working with jurisdictions to identify the local programs, policies and strategies driving these improvements, would provide a practical ‘value-add’ to an already rich source of information.

Performing this function effectively may require additional Secretariat resources, as well as collaboration and support from jurisdictions.

Opportunities to improve governance arrangements, particularly relating to Aboriginal and Torres Strait Islander representation

A key feature of the RoGS governance arrangements is the combination of ‘top down’ authority exercised by a Steering Committee of senior officials from central agencies, with ‘bottom up’ expertise contributed by line agency working groups (Banks and McDonald 2012, p. 208). This design feature supports the balancing of the strategic direction and intent of the report, with sector specific knowledge and a practical understanding of administrative data sets and other relevant data collections.

This feature of the governance arrangements is working well and should be maintained.

However, there are aspects of the governance arrangements and the terms of reference which are clearly out-dated and are no longer fit for purpose. These include references to COAG and any changes to Overcoming Indigenous Disadvantage (OID) reporting (which also sits under the auspices of the Steering Committee) arising out of the parallel review of this report currently underway.

One significant national development since the governance arrangements were last reviewed is the *National Agreement on Closing the Gap*. Priority Reform 1 under the agreement is ‘Strengthen and establish formal partnerships and shared decision-making’. Taken together with Priority Reform 4 ‘Aboriginal and Torres Strait Islander people have access to, and the capability to use, locally-relevant data and information ...’, the *National Agreement on Closing the Gap* establishes a clear case for greater Aboriginal and Torres Strait Islander involvement in the RoGS.

The Secretariat requests that the review consider and make recommendations to ensure that Aboriginal and Torres Strait Islander people are represented in the governance structures overseeing the RoGS. Any recommendations should be informed by engagement with the Joint Council on Closing the Gap and by the work underway on the future of the OID.

Aboriginal and Torres Strait Islander engagement and representation will help to ensure that Aboriginal and Torres Strait Islander voices are central in reporting Aboriginal and Torres Strait Islander data, including data collection, use, presentation and dissemination.

In updating the terms of reference and governance arrangements, consideration could also be given to more directly linking the Steering Committee and annual RoGS report into current decision-making bodies, as set out earlier in this submission.

Opportunities to reduce administrative burden, whilst also maximising accountability and transparency

The Secretariat acknowledges that the RoGS and the Performance Reporting Dashboard are two of many sources of data and information about government service delivery, expenditure and outcomes across a range of domains for Australians. The Secretariat supports the pursuit of opportunities to streamline data collection and reporting where the important functions of monitoring performance, and supporting transparency and accountability can be maintained.

The Secretariat would support discontinuation of the Performance Reporting Dashboard. The Dashboard does not present a complete picture of performance against the National Agreements (with only a sub-set of indicators included) and duplicates some aspects of the RoGS. Although the design of the dashboard interface is sound, some aspects of performance are not presented in an intuitive way. Moreover, based on the current volume of website traffic, the dashboard appears to be used significantly less than the RoGS.

If there is a future expectation that reporting against performance frameworks in National Agreements is integrated into the RoGS, a streamlined and efficient approach would be to draw indicators and measures from the RoGS rather than introducing new measures. This would minimise any additional reporting burden for jurisdictions.

If this is not possible, a formal opportunity should be provided to the Secretariat to review and advise on proposed frameworks prior to Agreement finalisation, to ensure that indicators reflect best practice performance reporting approaches.

The Secretariat notes that the structure of the RoGS, which is based on broad service delivery areas rather than specific National Agreements, supports an enduring reporting function. This approach may also be more reflective of the ways in which non-government stakeholders engage with and understand the role of governments in delivering services.

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