

Assessing Performance under the National Agreements: Role of the COAG Reform Council

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- Introducing the COAG Reform Council
- Assessing performance under the National Agreements

OUTLINE

INTRODUCTION TO THE COAG REFORM COUNCIL

COAG Reform Agenda

At meeting of 26 March 2008, COAG agreed to:

‘... boost productivity, workforce participation and geographic mobility, and support wider objectives of better services for the community, social inclusion, closing the gap on Indigenous disadvantage and environmental sustainability.’

Reform of architecture of Commonwealth-State financial relations

- Intergovernmental Agreement on Federal Financial Relations ‘represents the most significant reform of Australia’s federal financial relations in decades.’
- The new architecture ‘provides the platform for wide ranging policy reforms to improve economic, social and environmental outcomes’.

New approach to accountability

- New financial arrangements
 - National Agreements
 - National Partnerships
- New performance and assessment framework to support public reporting and accountability.

Role of the COAG Reform Council

- Independent organisation set up by COAG to monitor, assess and report on the performance of governments in implementing nationally agreed reforms.
- Reports on progress under three forms of agreements:
 - National Agreements, National Partnerships, and Water Management Partnerships.

National Agreements

- In specific areas of service delivery:
 - define the objectives, outcomes, outputs, and performance indicators, and
 - clarify the roles and responsibilities of the Commonwealth and the States and Territories.
- COAG Reform Council provides annual reports to COAG on performance of all jurisdictions.

National Partnerships

- Define the objectives, outputs and performance benchmarks related to specified projects, to facilitate reforms or to reward jurisdictions that deliver on national reforms or service delivery improvements.
- COAG Reform Council will give an independent assessment of whether performance benchmarks have been achieved before a reward payment is made.

Water Management Partnerships

- Part of Agreement on Murray-Darling Basin Reform between Commonwealth and Basin States (NSW, Victoria, Qld, SA and ACT).
- WMPs aim to implement water saving infrastructure projects, return water to the environment, and adapt to climate change.
- COAG Reform Council assesses performance of the Commonwealth and the Basin States in relation to WMPs.

Pace of reform

- COAG Reform Council also monitors the aggregate pace of activity in progressing COAG's reform agenda, and reports to the Prime Minister as the Chair of COAG.

ASSESSING GOVERNMENTS' PERFORMANCE UNDER NATIONAL AGREEMENTS

National Agreement

A National Agreement is defined as:

‘An agreement defining the objectives, outcomes, outputs and performance indicators, and clarifying the roles and responsibilities, that will guide the Commonwealth and the States and Territories in the delivery of services across a particular sector.’

Six National Agreements

- Education
- Skills and Workforce Development
- Healthcare
- Disability Services
- Affordable Housing
- Indigenous Reform

Role of the COAG Reform Council

- For each NA, the Council is tasked with:
 - the publication of performance information, and
 - a comparative analysis of the performance information, which:
 - focuses on the performance indicators;
 - highlights contextual differences between jurisdictions;
 - highlights examples of good practice and performance;
 - outlines the contributions of both levels of government to achieving the outcomes.

Reporting timeframes

Calendar year	Financial year
Education	Healthcare
Skills and Workforce Development	Disability Services
	Affordable Housing
	Indigenous Reform
<ul style="list-style-type: none"> ▪ reporting period January-December ▪ SCRGSP provides data by June ▪ report due September ▪ following one month formal consultation with jurisdictions <p>Baseline year = 2008</p>	<ul style="list-style-type: none"> ▪ reporting period July-June ▪ SCRGSP provides data by December ▪ report due March ▪ following one month formal consultation with jurisdictions <p>Baseline year = 2008-09</p>

Example – National Education Agreement

Outcomes	Performance indicators
All children are engaged in and benefiting from schooling.	Proportion of children enrolled in and attending school.
Young people are meeting basic literacy and numeracy standards, and levels of achievements are improving.	Literacy and numeracy achievement of Year 3, 5, 7 and 9 students in national testing.
Schooling promotes the social inclusion and reduces the educational disadvantage of children, especially Indigenous.	Proportion of Indigenous and low SES children enrolled in/attending school. Literacy and numeracy achievement of Indigenous and low SES students . Proportion of Indigenous children completing Year 10.
Australian students excel by international standards.	Proportion of students at or above proficiency levels in reading, maths and science in international testing.
Young people make a successful transition from school to work and further study.	Proportion of 18 to 24 years old in employment, education or training.

Tasks to prepare NA reports

1. Obtain the performance information
2. Undertake the comparative analysis
3. Highlight contextual differences
4. Highlight good practice and performance
5. Reflect the contribution of both levels of government
6. Advise on changes to improve the performance reporting framework

1. Obtain performance information

- Steering Committee for Review of Government Service Provision provide:
 - data for the performance indicator;
 - data source(s) used to provide data
 - including data set, publication vehicle, organisation responsible for collection, and frequency of collection and reporting;
 - availability of baseline data;
 - data issues; and
 - data quality statement based on ABS framework.

Outcome: Young people are meeting basic literacy and numeracy standards, and overall levels of literacy and numeracy achievement are improving

Indicator:

Literacy and numeracy achievement of year 3, 5, 7 and 9 students in national testing.

Measure:

Proportion of students achieving at or above the proficient standard in literacy and numeracy, in years 3, 5, 7 and 9, by state/territory, by sex, by Indigenous status, by socioeconomic status.

Data source:

MCEETYA National Assessment Program Literacy and Numeracy (NAPLAN):
Achievement in reading, writing, language conventions and numeracy.

Data availability:

NAPLAN available from 2008. Annual collection.

Data issues:

Disaggregation by SES (using parental education and occupation) is only available at the national level.

Data quality statement:

Being developed, based on ABS quality framework. Includes relevance, timeliness, and accuracy.

2. Undertake comparative analysis

- Analyse performance information against objectives, outcomes, outputs and performance benchmarks for each NA.
- Draw upon data agencies and subject experts as needed.
- Hold workshops with relevant data agencies — ABS, AIHW and NCVER.

3. Highlight contextual differences

- Determine framework for analysing contextual differences – focus on major differences.
- Source information from the Steering Committee from information collected for ROGS.
- Consult with CGC and data agencies.
- Undertake desktop research as needed.
- Seek jurisdictions' input:
 - liaise during the year and consult on framework;
 - provide Steering Committee information and seek contextual information; and
 - formally consult for 1 month on report.

4. Highlight good practice & performance

- Identify – in consultation with jurisdictions – a suitable area for good practice and performance in each NA based on the comparative analysis for previous year.
 - e.g. where the data shows evidence of a significant improvement for a jurisdiction or high variation.
- Area should link to priority policy and reform directions.
- Undertake desktop research and draw upon subject experts as needed.

5. Reflect contributions of both levels of government

- Obtain relevant information from Steering Committee, e.g. funding arrangements.
- Before beginning of reporting period, seek information from jurisdictions on their planned work towards nationally agreed outcomes
 - Highlight actions in line with identified policy and reform priorities, and consistent with their roles and responsibilities.
- Jurisdictions can input information during formal consultation period.

6. Advise on performance reporting framework

- Develop advice from quality statements from Steering Committee and from undertaking analysis
 - e.g. data gaps
- Consult with jurisdictions, Steering Committee, data agencies, and Heads of Treasury Performance Reporting and Accountability Committee.
- NA reports will identify data quality issues.
- COAG Reform Council annual workplan will collate data issues with suggested responses and priorities.

Challenge and opportunity

‘The success of the new framework for federal financial relations depends crucially on the development of robust indicators and benchmarks.’

Intergovernmental Agreement

Priorities for data development

- Governments have agreed to prioritise the new national performance reporting framework
 - review existing data collection and reporting requirements re duplication or inconsistency
 - identify and address data gaps and strategies for improving timeliness of data.
- Ministerial Council for Federal Financial Relations oversights progress and coordinates improvements
 - supported by Heads of Treasury Performance Reporting and Accountability Committee, with Consultative Forum.