

Business Plan: 2011–12

30 September 2011

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Introduction

This document is the COAG Reform Council's Business Plan for 2011–12 and is the principal planning document for the council and its secretariat.

The Business Plan forms part of the council's governance framework and should be read in conjunction with the council's Charter, which sets out the basis of the council's constitution and role as well as its objectives and strategies, values and operating principles. The Charter commits the council to present an Annual Progress Report and a Business Plan to COAG by 30 September each year.

The council's Charter establishes three core objectives and two capability objectives—and a range of supporting strategies—that frame and guide the council's work. Sections 2 to 6 of this Business Plan set out the council's work plan to implement those five objectives over the 2011–12 financial year.

The council's Charter establishes a three-part evaluation framework, including assessing its performance against a set of Key Performance Indicators (KPIs). The council's KPIs are set out in Appendix A.

1. Assessing performance of governments

Introduction

The council's Core Objective 1 is aimed at fulfilling the council's fundamental task of assessing and reporting on the performance of governments against commitments set out in intergovernmental agreements.

Core Objective 1: Provide independent, evidence-based assessments of the performance of Australian governments

1.1 Collaborate with jurisdictions, partner organisations and experts to access reliable and timely data and performance information

1.2 Assess the performance of governments through tailored, evidence-based approaches

1.3 Deliver evidence based reporting to COAG on the performance of governments

2011–12 work plan

Goals and priorities

Collaboration

The Intergovernmental Agreement on Federal Financial Relations (IGA) provides that the COAG Reform Council may draw upon data collection agencies and subject experts or commission technical experts as part of its data analysis or performance assessment work. The council's budget includes funding to commission experts or consultants for these tasks.

In relation to reporting on National Agreements and National Partnerships generally, the council will continue to partner with the Steering Committee on the Review of Government Service Provision (and the Productivity Commission as secretariat to the Steering Committee) and data collection agencies, particularly the Australian Bureau of Statistics and the Australian Institute of Health and Welfare, to access timely performance data and information. The council will work closely with data agencies and subject matter experts to assist the robust and meaningful reporting of change over time.

In relation to reporting on Water Management Partnerships, the council will continue its partnership with the National Water Commission in assessing the performance of Basin States in advancing water reform in the Murray-Darling Basin.

An important partner organisation for the council is the Productivity Commission (the commission). The council will work closely with the commission in relation to clause 18 of the IGA which provides that: '[t]o assist the COAG Reform Council in its role, the Productivity Commission will also report to COAG on the economic impacts and benefits of COAG's agreed reform agenda every two to three years' (COAG, 2009a, p. 5). The commission is also a source of expert knowledge in areas of productivity reform arising from specific inquiries.

Methodologies

The council has developed methodological frameworks for each of its core reporting tasks (incorporating those aspects prescribed by COAG). These frameworks are developed in consultation with governments and will be reviewed from time to time as necessary to reflect any evolution in the council's approach to its work.

Consultation

In 2011–12, the council will continue its efforts to be highly consultative with governments and key stakeholders on its methodologies, draft reports and all other aspects of its work. These consultative steps are crucial to testing the accuracy of the facts presented in the council's reports and the veracity of its proposed findings and recommendations.

The council is required to consult with jurisdictions on its draft reports for a period of one full month. In 2011–12, the council's formal month-long consultative process with governments will remain a critical mechanism for enabling jurisdictions to comment on matters of factual accuracy at the draft report stage and will assist the council to achieve rigour in its performance reporting work.

Informal consultation with jurisdictions and maintaining strong working relationships with governments as key stakeholders will also remain a priority for the council in the year ahead. The council will seek to achieve this through a variety of mechanisms including regular teleconferences, involvement in workshops and visits to jurisdictions.

The council will also continue to consult and liaise with relevant expert organisations, peak bodies and partners in 2011–12 in order to ensure its reporting remains well-informed, accurate and useful.

Reporting

National Agreements

During 2011–12, the council will commence its third year reports on all National Agreements, commencing with the National Education Agreement and National Agreement for Skills and Workforce Development due to COAG by 30 September 2011. The remaining four National Agreement reports—on the National Affordable Housing Agreement, National Indigenous Reform Agreement, National Disability Agreement and National Health Agreement—will be submitted to COAG by 30 April 2012. The council will continue to refine its reporting methodology and approach to comparative analysis to support the shift in the third and subsequent year reports to presenting change over time and reporting progress towards COAG's agreed outcomes and targets.

National Partnerships with reward payments

The council's reporting responsibilities for National Partnerships with reward funding have also substantially increased for 2011–12. As at 30 September 2011, there are at least eight reports due to COAG in 2011–12 assessing the achievement of performance benchmarks linked to reward funding:

- National Partnership Agreement on Essential Vaccines
- National Partnership Agreement on Elective Surgery Waiting List Reduction Plan
- National Partnership Agreement for Improving Public Hospitals (2)
- National Partnership Agreement on Youth Attainment and Transitions (2)
- National Partnership on Literacy and Numeracy
- National Partnership on Improving Teacher Quality.

Water Management Partnerships

In 2011–12, the council will deliver its second report on the performance of the Commonwealth and Basin States (NSW, Victoria, Queensland, South Australia and the ACT) under the Water Management Partnerships. The report will cover the reporting period of 2010 and be submitted to COAG by 30 September 2011.

The council will also commence the process of producing the third performance report on Water Management Partnerships, which will cover the reporting period of 2011. The process for this will include seeking formal input from the governments on their progress with water reforms and investment projects in the Murray-Darling Basin during the reporting period, and working with the National Water Commission to assess the performance of Basin States in relation to water reforms.

Seamless National Economy

In the first half of 2011–12, the council will prepare its 2011–12 report on the National Partnership to Deliver a Seamless National Economy. This report will cover 27 deregulation priorities, eight priority areas for competition reform, three additional regulatory reforms and ongoing reforms to improve processes for regulation making and review. The report will be provided to COAG on 23 December 2011 and released publicly in February 2012. The findings of the report will reflect the council's assessment of progress against the 2010–11 milestones (and any outstanding 2008–09 and 2009–10 milestones) as at 30 September 2011.

The council's assessment of performance is based on a range of inputs including:

- detailed progress reports and formal comments from jurisdictions
- additional information from jurisdictions requested by the council
- the council's independent research, based on publicly available information.

The council issued a request for progress reports to jurisdictions in July 2011 and invited jurisdictions to provide their input in advance of the formal 30 September 2011 deadline.

The council will release a consultation draft of the report to jurisdictions on 2 November 2011 and consider the final report at its meeting on 16 December 2011.

Capital city strategic planning systems

In 2011–12, the council will complete work on its cities reference with a final report to be delivered to COAG by 23 December 2011 and publicly released in February 2012. The final

report will be based on the interim reports delivered to governments from April–June 2011 following further research and discussion with governments on key issues identified in the interim reports. The key steps in delivering the final report are:

- a consultation draft report to governments in mid-October 2011, with the mandated one-month consultation period extending to mid-November
- a final report to be delivered by 24 December 2011.

The final report will include:

- the outcomes of the council’s work to support continuous improvement in capital city strategic planning, incorporating the workshop on building mandates for change held in May 2011
- a workshop on the frameworks for private sector innovation and investment in capital cities held in July 2011
- a workshop on the framework for driving continuous improvement in outcomes in capital cities to be held in October 2011.

Tasks and timeframes

The council’s website sets out up to date information on the council’s reporting timeframes over the next twelve months, at www.coagreformcouncil.gov.au.

The council’s projected reporting task over the next five financial years is presented in Table 1.1. While the table presents the total number of expected reports, it should be noted that the council’s future reporting task may be changed by COAG at any time and that the level of work required to produce individual reports is highly variable.

Table 1.1 Projected reporting levels

Reports	2011–12	2012–13	2013–14	2014–15	2015–16
Health:					
• National Agreement	1	1	1	1	1
• Elective surgery	1	-	-	-	-
• Improving public hospitals:					
– Elective surgery waiting	-	1	1	-	-
– Emergency waiting	-	1	1	-	-
• Vaccines	1	1	1	1	1
• Preventive health	-	-	1	-	1
Education and skills:					
• National Agreements	2	2	2	2	2
• NA – early childhood	-	-	1	1	1
• Youth attainment & transitions	2	1	1	-	-
• Teacher quality	1	1	-	-	-
• Literacy and numeracy	1	-	-	-	-
Housing, disability and Indigenous reform National Agreements	3	3	3	3	3
Seamless National Economy National Partnership	1	1	1	1	1
City strategic planning systems	1	-	-	-	-
Water Management Partnerships	1	1	1	1	1
COAG reform agenda	1	1	1	1	1
TOTAL	18	15	15	11	12

Notes:

1. Numbers in green represent known reporting requirements.
2. Numbers in amber represent expected reporting requirements.

Measures of success

The COAG Reform Council has developed a suite of 18 KPIs, set out in Appendix A and reported against in the Annual Progress Report.

One high-level KPI directly measures governments' satisfaction in delivering Core Objective 1: assessing the performance of governments. Other KPIs directly measure the satisfaction of jurisdictions with the council's methodologies and consultation processes, and with the quality and usefulness of the council's reports and recommendations.

2. Enhancing public accountability

Introduction

The council's Core Objective 2 builds on the performance reporting to be achieved under Core Objective 1 by implementing a public communication and stakeholder engagement strategy to fulfil the council's mandate to enhance the accountability of governments to their communities.

Core Objective 2: Enhance the public's ability to evaluate and drive performance across the COAG reform agenda

2.1 Publish accessible information on the performance of governments across the COAG reform agenda

2.2 Engage effectively with key stakeholders across the media, government, non-government and private sectors

2.3 Implement an accessible communications strategy to enable the public and stakeholders to drive performance across the COAG reform agenda

2011–12 work plan

Goals and priorities

The council has developed a 2011–12 communications strategy which aims to build on the progress made so far, and to further extend the reach and effectiveness of our messages to a wider range of stakeholders throughout the year—not just around the release of reports.

The strategy supports all of the council's objectives, but particularly focuses on Core Objective 2. The following communications strategies will support the realisation of this objective:

1. **Public reporting:** supporting effective communication of report findings and recommendations
2. **Website development:** continuing improvement of the council's online communications
3. **Media engagement:** building and maintaining effective working relationships with journalists
4. **Government engagement:** maintaining effective high-level government engagement
5. **Interest group engagement:** extending and intensifying our non-government stakeholder engagement
6. **Public commentary:** using media and other stakeholder engagement opportunities to encourage wider understanding and discussion of the COAG reform agenda.

Tasks and timeframes

The council has developed a detailed communication and stakeholder engagement strategy and this has been made available to governments.

Measures of success

One of the council's high-level KPIs directly measures governments' satisfaction in delivering Core Objective 2.

A number of other communications-specific KPIs directly measure the council's performance in delivering on its communications strategies, including measures of media references to the council, its reports and its role; and website statistics.

3. Supporting COAG's capacity to drive reform

Introduction

The council's Core Objective 3 captures broader advisory and whole-of-agenda functions prescribed by COAG. Through this work the council aims to build and support COAG's capacity to develop and deliver its reform agenda.

Core Objective 3: Assist COAG to develop and deliver its reform agenda

- 3.1 Make recommendations to COAG on ways to improve the performance reporting framework
- 3.2 Highlight examples of good practice and performance to enable jurisdictions to adapt innovative reforms or methods of service delivery
- 3.3 Report on the aggregate pace of activity in progressing COAG's reform agenda

2011–12 work plan

Goals and priorities

Recommending improvements to the performance reporting framework

As with previous reporting years, in 2011–12 the council will be proactively involved in the development of the performance reporting framework and will continue to make recommendations to COAG where it sees improvements that could be made to ensure robust performance reporting.

Additionally, COAG has announced that the performance frameworks of each National Agreement will be reviewed to ensure progress is measured and all jurisdictions are clearly accountable to the public and COAG for their efforts (COAG 2011, p. 2). The council has been advised that a steering group of COAG Senior Officials and the Heads of Treasuries will oversee the reviews and will consider the recommendations on the performance reporting framework in the council's baseline and second year reports on the National Agreements.

The council will review new agreements arising from the review process to assess the extent to which the council's recommendations have been taken into account.

Highlighting good practice and performance

In 2010–11, the council commenced a good practice program in line with the direction of the Intergovernmental Agreement on Federal Financial Relations. Based on an agreed two-stage approach, first stage good practice projects for each of the six National Agreements—Education, Skills and Workforce Development, Indigenous Reform, Housing, Health and

Disability—were completed and published in 2010–11. In February 2011, the council agreed to undertake an evaluation of its good practice reference before proceeding to stage two. The evaluation commenced in March 2011.

In 2011–12 the council’s priorities will be:

- completion of the good practice program evaluation
- development of a forward work plan for the good practice program
- working with jurisdictions to highlight and promote good practice.

Reporting on the aggregate pace of reform

Following the release of the council’s first report on the aggregate pace of activity in progressing the COAG reform agenda in 2010, the priority for 2011 is to deliver a high level report which provides further insights into:

- whether the institutional features of the new framework for federal financial relations are being realised
- whether key reform commitments are being met
- the extent to which key indicators are showing progress.

Tasks and timeframes

Table 3.1 Objective 3 – Key tasks and timeframes

Date	Activity
Recommending improvements to the performance reporting framework	
Coinciding with submission of reports to COAG	Make recommendations to improve the performance reporting framework where needed for each report.
Highlighting good practice and performance	
September 2011	Program evaluation report finalised
October – November 2011	Consultation with jurisdictions
Early 2012	Forward work plan developed in consultation with stakeholders
Reporting on the aggregate pace of reform	
2 August 2011	Draft report for council review
From 9 August to 8 September 2011	Consultation on draft report with jurisdictions
21 September 2011	Finalisation of report for council review
30 September 2011	Submission of final report to COAG

Measures of success

One of the council's high-level KPIs directly measures governments' satisfaction in delivering Core Objective 3.

Other KPIs directly measure the satisfaction of jurisdictions with the council's methodologies and consultation processes, and with the quality and usefulness of the council's reports and recommendations. The council's KPI framework also includes a measure on the level of governments' satisfaction with the council's recommendations on performance reporting framework issues.

The objective of the council's good practice program is to highlight examples of good practice and performance in order to enable adoption or adaptation by jurisdictions of innovative reforms or methods of service delivery. In achieving this aim, the program seeks not only to satisfy the directive of the Intergovernmental Agreement on Federal Financial Relations, but also to positively engage with governments and the wider community and to contribute to building a learning environment. The program evaluation being undertaken across 2011–12 will seek to measure and report success against these outcomes and present recommendations for how the council will improve its performance in this task. The council's KPI framework specifically includes a measure on the level of governments' satisfaction with the council's work on good practice.

4. Excellence and creativity

Introduction

The objective to be a centre of excellence and creativity underpins all of the COAG Reform Council's work. The pursuit of Capability Objective 4 is a deliberate way to create value for COAG and other stakeholders over and above what is expected in the normal course of the council's work. The strategies that have been identified to achieve this objective focus on being forward looking, innovative and proactive.

Capability Objective 4: Become a centre of excellence on cross-jurisdictional performance reporting

4.1 Promote an environment of constant learning through a program of events, engagements and continuous improvement

4.2 Use the council's unique and independent role to actively promote the importance of performance reporting and accountability for federal financial relations

Successful implementation of these strategies will target the council and secretariat's product, people and position by:

- driving the continuous review and improvement of the quality and utility of all elements of the council's work
- ensuring the council is supported by a secretariat that is engaged, knowledgeable and respected
- positioning the council as a leading and credible voice in the field of performance reporting and public accountability, and within the federal financial relations institutional framework.

2011–12 work plan

Goals and priorities

Following the initial establishment of the Centre of Excellence work program in 2010–11, the priority for 2011–12 will be to consolidate and regularise the Centre of Excellence work streams and integrate these initiatives with other core work.

The key tasks for 2011–12 under the Centre of Excellence program are outlined below.

- Partnerships and outreach
 - Support overseas visits to Europe and the US by the council and senior executive to gain insights into international experience in public accountability and performance reporting
 - Establish valuable networks and partnerships and share knowledge with experts and partners in fields relevant to the work of the council and secretariat within Australia and internationally
 - Promote constructive engagement by the Chairman, council and secretariat in processes and events which impact upon and/or influence the council's work, such as the review of National Agreements
- Events and seminars
 - Consolidate the Vantage Point series of internal seminars by continuing to attract speakers who are leaders in their field and delivering seminars that are insightful, informative and valuable
 - Provide a forum for council members and staff to present and discuss elements of their work, including delivering follow-up seminars on conferences, events and work visits
- Constant learning and improvement
 - Complete the good practice program evaluation and develop a forward work plan for the council's approach to highlighting and promoting good practice
 - Complete a review of the council's approach to National Agreement reporting and develop and implement recommendations to improve third year and future reports
 - Continue to identify areas of the council's work for evaluation and possible improvement, and develop and implement tailored review processes to deliver continuous improvement
 - Identify opportunities for the council and secretariat to work with partners on projects and/or reviews which will contribute to the improvement of processes and knowledge.

Measures of success

Measures of success for this objective include:

- establishment of formal and informal networks and linkages, including with international partners and organisations
- greater council involvement and engagement in relevant external forums and processes
- regular and dynamic seminars held for the council and secretariat
- acceptance and implementation of findings of internal reviews and evaluations.

Tasks and timeframes

Table 4.1 Objective 4 – Key tasks and timeframes

Stream	Task/activity	Timeframe
Partnerships and outreach	Support council and senior executive overseas visits	London, Brussels and Paris – June/July 2011 Washington – September 2011
	Establish networks and partnerships	Ongoing
	Promote constructive engagement	Ongoing
Events and seminars	Vantage Point seminar series	Ongoing
	Keynote events	August 2011 Early 2012
Constant learning and improvement	Internal evaluation and improvement	Finalise good practice program evaluation and develop forward work plan – early 2012 Finalise review of National Agreement reporting – October 2011

5. Governance and organisational capability

Introduction

Capability Objective 5 is aimed at ensuring that the COAG Reform Council has the necessary capabilities and resources required to perform effectively and efficiently. The council seeks to maintain a high performing and positive culture and has sought to appoint a range of staff with appropriate skills in areas such as policy analysis, statistical interpretation and public communications.

Capability Objective 5: Develop and maintain efficient and effective processes that underpin a supportive and challenging workplace

5.1 Effectively manage resources and ensure appropriate systems are in place to support the work of the council and the secretariat

5.2 Foster a culture of professionalism and high performance, and support learning and development opportunities for staff

5.3 Implement and maintain effective and appropriate governance arrangements to structure and direct the council's work

2011–12 work plan

Goals and priorities

Management of resources

Budget

The framework for the council's budget and financial accountability is set out in the council's Charter.

At its meeting on 30 April 2009, COAG agreed 'to additional funding of \$20.93 million over four years beginning in 2009–10 for the COAG Reform Council (total funding of \$24.1 million over four years), contributions to which are to be shared evenly between the Commonwealth and the States and Territories.' COAG further agreed that 'the current arrangements in relation to the funding contributions from the Commonwealth, States and Territories to the COAG Reform Council's budget be maintained until June 2013, at which time they be reviewed to reflect continued work under the COAG reform agenda.' The COAG communiqué stated that:

The Commonwealth and the States agreed to provide an additional \$21 million between 2009–10 and 2012–13 to enable the Council to perform its extended monitoring and assessment role agreed by COAG during 2008.

The council's core budget for the next two financial years is:

- 2011–2012: \$5.852 million
- 2012–2013- \$5.908 million

The council's core budget funds 30 staff.

An additional budget has been provided for the COAG Reform Council to independently review the consistency of capital city strategic planning systems with the new national criteria. This budget was \$3 million over the three years from 2009–10 to 2011–12. The budget for the next (and final) financial year is:

- 2011–2012: \$0.6 million¹

The budget for the capital city strategic planning systems work funds an additional three staff in 2011–12.

Other resources and systems

In addition to budget management, the corporate services team within the secretariat will continue to work in collaboration with the Department of the Prime Minister and Cabinet to extend corporate services support—in areas such as human resources management, recruitment, office services, financial management—to the secretariat and the council.

Professionalism, performance and development

The secretariat executive is committed to ensuring equitable access to opportunities for all employees and to developing a highly capable workforce through investing in its talent and leadership. This commitment extends to developing a workforce that possesses the depth and breadth of capabilities required to deliver strategic outcomes.

The secretariat will continue to implement its capability management strategy and the department's performance management and development scheme.

Governance

The council's charter and business plan are the primary documents governing the work of the council and the secretariat. The council's charter summarises COAG's decisions on the constitution and functions of the council, and sets out the council's objectives and strategies to deliver its mission. The council prepares a business plan each year which sets out more specific information about the council's forward work program. The council also prepares a progress report each year, setting out its achievements over the previous year against its objectives and strategies and against its KPIs. These key governance documents are presented to COAG annually.

¹ The Department of the Prime Minister and Cabinet has agreed to absorb an additional overspend in 2011-12 of \$250,000 (representing an amount not expended in 2010-11).

The secretariat has established a Governance Working Group to implement and maintain effective and appropriate governance arrangements. The working group deals with:

- corporate strategy and planning
- risk management
- compliance with statutory requirements
- council membership
- evaluation of performance.

The working group coordinates the evaluation of the council's performance using three key mechanisms:

- a qualitative analysis of performance against the council's stated objectives and strategies, which is reported in the Annual Progress Report
- an assessment of the council's performance against its KPIs, drawing on the results of an annual survey of COAG senior officials as well as some self reporting
- a biennial external performance audit conducted by an independent auditor.

Measures of success

Measures of success for this objective include:

- management of the council's budget in accordance with the law and departmental guidelines
- compliance with the department's performance management and development scheme
- the satisfaction of COAG with the council's governance documents
- results of periodic staff surveys.

Appendix A Key Performance Indicators

Outcome attributes			
No.	Key Performance Indicator	Target	Data collection method
Strengthening performance and public accountability			
1	The council's work assists COAG to drive and deliver its reform agenda	To be calibrated based on results from the first two years	Survey of COAG Senior Officials
2	The council's evidence-based reporting is useful to jurisdictions	To be calibrated based on results from the first two years	Survey of COAG Senior Officials
3	The council's work is enhancing the public accountability of governments to their communities	To be calibrated based on results from the first two years	Survey of COAG Senior Officials
Assisting COAG			
4	The council's recommendations and findings are useful to jurisdictions	5.5	Survey of COAG Senior Officials
5	The council's recommendations on the performance reporting frameworks are useful to jurisdictions	5.5	Survey of COAG Senior Officials
6	The council's findings on good practice and performance reporting are useful to jurisdictions	To be calibrated based on initial result	Survey of COAG Senior Officials (from year two reporting)
7	The council's recommendations are accepted by COAG	100%	Council to self report
8	The council's recommendations are implemented by COAG/governments	No target, track actual	Council to self report (from year two reporting)

Process attributes			
No.	Key performance indicator	Target	Data collection method
Produce reports—methodology & consultation			
9	COAG Senior Officials are satisfied with the council's methodologies (assessment and reporting frameworks)	5.5	Survey of COAG Senior Officials
10	The council meets all consultation timeframes as specified by COAG	100%	Council to self report
11	COAG Senior Officials are satisfied with the council's consultation processes	5.5	Survey of COAG Senior Officials
Produce reports—output			
12	Council reports are submitted to COAG on time	100%	Council to self report
Produce reports—quality			
13	The council's reports are of high quality (readability, clarity, rigour)	5.5	Survey of COAG Senior Officials
Communication			
14	Number of citations of council reports	Year-on-year improvement	Council to self report
15	Number of media references to the council, its reports, and its role	Year-on-year improvement	Council to self report
16	Number of speaking/presentation invitations received for council to speak at conferences/forums	Year-on-year improvement	Council to self report

17	Number of unique visitors to the council's website	Year-on-year improvement	Council to self report
18	Number of subscribers to the council's website	Year-on-year improvement	Council to self report

