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Volume A: Approach to performance reporting

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Commonwealth of Australia 2016

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The Steering Committee welcomes enquiries and suggestions on the information contained in this report. Contact the Secretariat by phone: (03) 9653 2100 or email: gsp@pc.gov.au

# Foreword

This year marks the twenty-first edition of the Report on Government Services —comparing the performance of governments in the efficient and effective delivery of a wide range of services aimed at improving the wellbeing of all Australians.

The Report was commissioned in 1993 by Heads of Government (now COAG), with the first report produced in 1995. A new terms of reference issued in 2010 emphasised the dual roles of the Report in improving service delivery, efficiency and performance, and increasing accountability to governments and the public.

Improving the equity and effectiveness of the services included in the Report can affect the community in significant ways. Some services form an important part of the social welfare system (for example, social housing and child protection services), some are provided to people with specific needs (for example, disability services), and others are typically used by each person in the community at some stage during their life (for example, education and training, health services and aged care services).

Improving the efficiency of government services can also have significant economic pay-offs. Governments spent over $192 billion on the services covered by this Report, representing around 67.9 per cent of total government expenditure, equivalent to about 12 per cent of Australia’s gross domestic product.

I commend all governments for their continuing commitment to transparency and accountability. The challenge for the future is to harness this important information source to look at what works to improve service delivery for all Australians.

I would like to thank the Steering Committee for its direction and oversight of this Report, the working group members that provide advice and input, and the Review Secretariat within the Productivity Commission which supports the Steering Committee and working groups and produces the Report.

Peter Harris  
Chairman

January 2016

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# Acronyms and abbreviations

AAGR Average annual growth rates

AATSIHS Australian Aboriginal and Torres Strait Islander Health Survey

ABI Acquired brain injury, but spelt out

ABS Australian Bureau of Statistics

ACARA Australian Curriculum and Assessment Reporting Authority

ACAT Aged Care Assessment Team

ACC Australian Crime Commission

ACE adult community education

ACECQA Australian Children’s Education and Care Quality Authority

ACER Australian Council for Educational Research

ACFI Aged Care Funding Instrument

ACHS Australian Council on Healthcare Standards

ACIR Australian Childhood Immunisation Register

ACOSS Australian Council of Social Service

ACRRM Australian College of Rural and Remote Medicine

ACS Aged care services

ACSQHC Australian Commission for Safety and Quality in Health Care

ACSS Australian Community Sector Survey

ADE Australian Disability Enterprises

ADHC Ageing, Disability and Home Care

ADHD Attention-deficit/hyperactivity disorder

ADL Activities of daily living

ADR Alternative dispute resolution

AEDC Australian Early Development Census

AEM Australian Emergency Management

AFAC Australasian Fire and Emergency Service Authorities Council

AFP Australian Federal Police

AGSRC Average Government School Recurrent Costs

AHS Australian Health Survey

AIC Australian Institute of Criminology

AIFS Australian Institute of Family Studies

AIHW Australian Institute of Health and Welfare

AIL Activities of independent living

AIPAR Australian Institute for Population Ageing Research

AJJA Australasian Juvenile Justice Administrators

ANZEMC Australia-New Zealand Emergency Management Committee

ANZPAA Australia New Zealand Policing Advisory Agency

ANZSOC Australian and New Zealand Standard Offence Classification

AQF Australian Qualifications Framework

AR-DRGs Australian refined diagnosis related groups

ARIA Accessibility and Remoteness Index for Australia

AS Age standardised

ASGC Australian Standard Geographical Classification

ASGS Australian Statistical Geography Standard

ASO Ambulance service organisation

ASQA Australian Skills Quality Authority

ASR Age-standardised rate

ASSNP Core Activity Need for Assistance

AUSTRAC Australian Transaction Reports and Analysis Centre

AVETMISS Australian Vocational Education and Training Management Information Statistical Standard

AWEC Activities of work, education and community living

BCC Basic Community Care

BEACH Bettering the Evaluation and Care of Health

BMI Body Mass Index

CAA Council of Ambulance Authorities

CaLD Culturally and Linguistically Diverse

CCB Child Care Benefit

CCET Child care, education and training

CCSP Community Care Support Program

CGC Commonwealth Grants Commission

CH Community housing

CHD Coronary heart disease

CHSA Commonwealth-State Housing Agreement

CIs Confidence intervals

CISC COAG Industry and Skills Council

CMHC Community Mental Health Care

CNOS Canadian National Occupancy Standard

COACH Coaching patients On Achieving Cardiovascular Health

COAG Council of Australian Governments

CPS Child protection services

CR Crude rate

CRA Commonwealth Rent Assistance

CSTDA Commonwealth–State/Territory Disability Agreement

CSV Court Services Victoria

DB Deafblind

DEEWR Department of Education, Employment and Workplace Relations

DES Disability Employment Services

DHHS Department of Health and Human Services

DHS Department of Human Services

DIMA Department of Immigration and Multicultural Affairs

DL Delayed development

DMS Disability Management Services

DQI data quality information

DS NMDS Disability Services National Minimum Data Set

DSS Department of Social Services

DVA Department of Veterans’ Affairs

ECEC Early childhood education and care

ERP estimated resident population

ESS Employment Support Services

FaHCSIA Department of Families, Housing, Community Services and Indigenous Affairs

FCA Federal Court of Australia

FDC Family day care

FMA Financial Management and Accountability Act

FSE Full Service Equivalent

FSO Fire service organisation

FTE full time equivalent

GDP gross domestic product

GFS Government Finance Statistics

GGFCE General Government Final Consumption Expenditure

GHB Gamma hydroxybutyrate

GP General practitioner

GST Goods and Services Tax

HACC Home and Community Care

HELP Higher Education Loan Programme

ICD International Classification of Diseases

ICH Indigenous Community Housing

ICILS International Computer and Information Literacy Study

ICT Information and Communications Technology

IEA International Association for the Evaluation of Educational Achievement

IMR Infant mortality rate

IRSD Index of Relative Socio-economic Disadvantage

ISO International Organisation for Standardisation

JJ NMDS Juvenile Justice National Minimum Data Set

LBOTE language backgrounds other than English

LCCSC Law, Crime and Community Safety Council

LDC Long day care

LHA Livable Housing Australia

LOTE language other than English

LRC Large Residential Centres

LSAC Longitudinal Study of Australian Children

MBI Modified Barthel Index

MBS Medicare Benefits Schedule

MCEECDYA Ministerial Council for Education, Early Childhood Development and Youth Affairs

MCEETYA Ministerial Council on Education, Employment, Training and Youth Affairs

MDI Middle Years Development Instrument

MESC Main English speaking countries

MHE Mental Health Establishments

ML Medicare Locals

MPS Multi-Purpose Services

NAHA National Affordable Housing Agreement

NAP National Assessment Program

NAPLAN National Assessment Program – Literacy and Numeracy

NASWD National Agreement for Skills and Workforce Development

NATSIHS National Aboriginal and Torres Strait Islander Health Survey

NCCH National Centre for Classification in Health

NCPASS National Child Protection and Support Services

NCVER National Centre for Vocational Education Research

NDA National Disability Agreement

NDIA National Disability Insurance Agency

NDIS National Disability Insurance Scheme

NDS National Disability Service

NEA National Education Agreement

NECECC National Early Childhood Education and Care Collection

NECECWC National Early Childhood Education and Care Workforce Census

NESB Non‑English speaking backgrounds

NGO Non-government organisations

NHA National Healthcare Agreement

NHCDC National Hospital Cost Data Collection

NHHRC National Health and Hospitals Reform Commission

NHMRC National Health and Medical Research Council

NHPF National Health Performance Framework

NHRA National Health Reform Agreement

NHS National Health Survey

NIRA National Indigenous Reform Agreement

NMDS National Minimum Data Set

NMHS National Mental Health Strategy

NMS national minimum standard

NNDSS National Notifiable Diseases Surveillance System

non‑MESC non‑main English speaking countries

NP National Partnership

NP  NQAECEC National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care

NP UAECE National Partnership Agreement on Universal Access to Early Childhood Education

NPA RIH National Partnership Agreement on Remote Indigenous Housing

NPAH National Partnership Agreement on Homelessness

NQAITS National Quality Agenda Information Technology System

NQF National Quality Framework

NQS National Quality Standard

NRAS National Rental Affordability Scheme

NRCP National Respite for Carers Program

NSCSP National Survey of Community Satisfaction with Policing

NSHS National Social Housing Survey

NSMHS National Standards for Mental Health Services

NSQHS National Safety and Quality Health Service

NSSC National Schools Statistics Collection

NYPR National Youth Participation Requirement

OECD Organisation for Economic Co-operation and Development

OMP Other medical practitioners

OSHC Outside school hours care

OSR Online Services Reporting

PBS Pharmaceutical Benefits Scheme

PC Productivity Commission

PExS Patient Experience Survey

PH Public housing

PIAAC Programme for the International Assessment of Adult Competencies

PIP Practice Incentives Program

PIRLS Progress in International Reading Literacy Study

PISA Programme for International Student Assessment

PSTRE problem solving in technology‑rich environments

RACGP Royal Australian College of General Practitioners

RAS Regional Assessment Services

RPBS Repatriation Pharmaceutical Benefits Scheme

RRMA Rural, Remote and Metropolitan Areas classification system

RSEs Relative standard errors

RTO Registered Training Organisation

SA DECD South Australian Department for Education and Child Development

SAB Staphylococcus aureus (including Methicillin-resistant Staphylococcus aureus [MRSA]) bacteraemia

SCRCSSP Steering Committee for the Review of Commonwealth/State Service Provision

SCRGSP Steering Committee for the Review of Government Service Provision

SDAC Survey of Disability Ageing and Carers

SE Standard error

SEIFA Socio-Economic Indexes for Areas

SEM Standard error of the mean

SES Socioeconomic status

SES State Emergency Service

SHSC Specialist Homelessness Services collection

SL Specific learning

SMHWB Survey of Mental Health and Wellbeing

SMRs Standardised mortality ratios

SOMIH State Owned and Managed Indigenous Housing

SPP Specific Purpose Payment

SPWD Services for people with disability

SRS Schooling Resource Standard

TAFE technical and further education

TCP Transition Care Program

TGR Total growth rate

TIMSS Trends in International Mathematics and Science Study

UCC User cost of capital

UNSW University of New South Wales

URTI Upper respiratory tract infection

VCAT Victorian Civil and Administrative Tribunal

VET Vocational Education and Training

VF Ventricular Fibrillation

VHC Veterans’ Home Care

VT Ventricular Tachycardia

WHO World Health Organisation

YBFS Year before full time schooling

YJS Youth justice services

YPIRAC Young People in Residential Aged Care

# Glossary

|  |  |
| --- | --- |
| Access | Measures how easily the community can obtain a delivered service (output). |
| Appropriateness | Measures how well services meet client needs and also seeks to identify the extent of any underservicing or overservicing. |
| Comparability | Data are considered comparable if, (subject to caveats) they can be used to inform an assessment of comparative performance. Typically, data are considered comparable when they are collected in the same way and in accordance with the same definitions. For comparable indicators or measures, significant differences in reported results allow an assessment of differences in performance, rather than being the result of anomalies in the data. |
| Completeness | Data are considered complete if all required data are available for all jurisdictions that provide the service. |
| Constant prices | See ‘real dollars’. |
| Cost effectiveness | Measures how well inputs (such as employees, cars and computers) are converted into outcomes for individual clients or the community. Cost effectiveness is expressed as a ratio of inputs to outcomes. For example, cost per life year saved is a cost effectiveness indicator reflecting the ratio of expenditure on breast cancer detection and management services (including mammographic screening services, primary care, chemotherapy, surgery and other forms of care) to the number of women’s lives that are saved. |
| Current prices | See ‘nominal dollars’. |
| Descriptors | Descriptive statistics included in the Report that relate, for example, to the size of the service system, funding arrangements, client mix and the environment within which government services are delivered. These date are provided to highlight and make more transparent the differences among jurisdictions. |
| Effectiveness | Reflects how well the outputs of a service achieve the stated objectives of that service (also see program effectiveness). |
| Efficiency | Reflects how resources (inputs) are used to produce outputs and outcomes, expressed as a ratio of outputs to inputs (technical efficiency), or inputs to outcomes (cost effectiveness). (Also see ‘cost effectiveness’ and ‘technical efficiency’.) |
| Equity | Measures the gap between service delivery outputs or outcomes for special needs groups and the general population. Equity of access relates to all Australians having adequate access to services, where the term adequate may mean different rates of access for different groups in the community (see chapter 1 for more detail). |
| Inputs | The resources (including land, labour and capital) used by a service area in providing the service. |
| Nominal dollars | Refers to financial data expressed ‘in the price of the day’ and which are not adjusted to remove the effects of inflation. Nominal dollars do not allow for inter-year comparisons because reported changes may reflect changes to financial levels (prices and/or expenditure) and adjustments to maintain purchasing power due to inflation. |
| Output | The service delivered by a service area, for example, a completed episode of care is an output of a public hospital. |
| Outcome | The impact of the service on the status of individuals or a group, and the success of the service area in achieving its objectives. A service provider can influence an outcome but external factors can also apply. A desirable outcome for a school, for example, would be to add to the ability of the students to participate in, and interact with, society throughout their lives. Similarly, a desirable outcome for a hospital would be to improve the health status of an individual receiving a hospital service. |
| Process | Refers to the way in which a service is produced or delivered (that is, how inputs are transformed into outputs). |
| Program effectiveness | Reflects how well the outcomes of a service achieve the stated objectives of that service (also see effectiveness). |
| Quality | Reflects the extent to which a service is suited to its purpose and conforms to specifications. |
| Real dollars | Refers to financial data measured in prices from a constant base year to adjust for the effects of inflation. Real dollars allow the inter-year comparison of financial levels (prices and/or expenditure) by holding the purchasing power constant. |
| Technical efficiency | A measure of how well inputs (such as employees, cars and computers) are converted into service outputs (such as hospital separations, education classes or residential aged care places). Technical efficiency reflects the ratio of outputs to inputs. It is affected by the size of operations and by managerial practices. There is scope to improve technical efficiency if there is potential to increase the quantity of outputs produced from given quantities of inputs, or if there is potential to reduce the quantities of inputs used in producing a certain quantity of outputs. |
| Unit costs | Measures average cost, expressed as the level of inputs per unit of output. This is an indicator of efficiency. |

# Terms of Reference

## The Report on Government Services

|  |  |
| --- | --- |
| 1. The Steering Committee will measure and publish annually   data on the equity, efficiency and cost effectiveness of   government services through the Report on Government   Services (ROGS). 2. The ROGS facilitates improved service delivery, efficiency   and performance, and accountability to governments and the   public by providing a repository of meaningful, balanced,   credible, comparative information on the provision of   government services, capturing qualitative as well as   quantitative change. The Steering Committee will seek to   ensure that the performance indicators are administratively   simple and cost effective. 3. The ROGS should include a robust set of performance   indicators, consistent with the principles set out in the   Intergovernmental Agreement on Federal Financial Relations;   and an emphasis on longitudinal reporting, subject to a   program of continual improvement in reporting. 4. To encourage improvements in service delivery and   effectiveness, ROGS should also highlight improvements and   innovation. 5. The Steering Committee exercises overall authority within the   ROGS reporting process, including determining the coverage  of its reporting and the specific performance indicators that   will be published, taking into account the scope of National   Agreement reporting and avoiding unnecessary data provision   burdens for jurisdictions. 6. The Steering Committee will implement a program of review   and continuous improvement that will allow for changes to the   scope of the ROGS over time, including reporting on new   service areas and significant service delivery areas that are   jurisdiction-specific. 7. The Steering Committee will review the ROGS every three   years and advise COAG on jurisdictions’ compliance with data   provision requirements and of potential improvements in data   collection. It may also report on other matters, for example,   ROGS’s scope, relevance and usefulness; and other matters   consistent with the Steering Committee’s terms of reference   and charter of operations. | Outputs and  objectives        Steering  Committee  authority    Reporting to  COAG |