

Queensland Government Performance Management Framework

An Overview

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Introduction

Purpose

This document provides agencies with an overview of the key arrangements and requirements, for all levels of Government, to enable them to meet the obligations of the Queensland Government's Performance Management Framework (PMF). It should be read in conjunction with the *Queensland Government Performance Management Framework Policy* <https://www.qld.gov.au/gov/sites/default/files/performance-management-framework-policy.pdf>.

Application

This guide is relevant to all Queensland Government departments and statutory bodies in accordance with Section 11 of the *Financial and Performance Management Standard 2009* (FPMS) which states that:

Each accountable officer and statutory body must, in managing the performance of the officer's department or the statutory body, comply with the document called 'Queensland Government Performance Management Framework Policy' prepared by the Department of the Premier and Cabinet.

In most cases, the term 'agency' is used in this document to refer to departments and statutory bodies. When necessary, an indication is made if specific sections apply to departments only or statutory bodies only.

About the Queensland Government PMF

An effective performance management system is a crucial element of transparent and accountable government. It is important for the Queensland Government to know, and be able to demonstrate that, it is operating effectively and efficiently – utilising taxpayer funded resources responsibly and achieving real and meaningful outcomes.

Various pieces of legislation form the basis of performance management in Queensland, each imposing mandatory obligations. These and other obligations are identified in the *Queensland Government's Performance Management Framework Policy* <https://www.qld.gov.au/gov/sites/default/files/performance-management-framework-policy.pdf>.

A diagram depicting a big picture view of performance management in the Queensland Government is provided at <https://www.qld.gov.au/gov/sites/default/files/big-picture-overview.pdf>.

Purpose and scope

The Queensland Government PMF provides a mechanism to help strengthen public sector accountability, adopting a holistic approach to performance management directed at a whole-of-Government, ministerial portfolio, agency and individual level.

The PMF focusses on three key aspects of public sector performance management: planning, measuring and monitoring performance, and public reporting, as depicted below.

Key elements

- **Planning** – at the whole-of-Government, ministerial portfolio, agency and individual levels is integral to determining what outcomes are to be achieved for customers, stakeholders and the community.
- **Measuring and Monitoring Performance** – achieved across the whole-of-Government, ministerial portfolio, agency and individual levels.
- **Public Reporting** – of the performance of the Queensland Government, in a fair and balanced way, to facilitate accountability.

Figure 1. PMF Cycle



As shown, the PMF represents a continuous cycle of activities. Key elements identified are supported by risk management and evaluation requirements, processes and practices.

In focusing on the key areas of performance management identified above, the PMF helps to: inform direction setting and the ongoing development and implementation of government policy and planning; inform capability, resourcing and service delivery; and to effectively measure and report on progress and achievements.

Application of the PMF

Parliament

The Queensland Parliament has, as two of its many overlapping responsibilities, the passage of legislation which forms the basis for Government activity, and the financial responsibility of overseeing and granting the Government's requested yearly appropriations of revenue and expenditure necessary to fund that activity.

The Parliament requires a clear line of sight as the owner of the system of public accounts and its role in representing the public interest and scrutiny of the executive arm of government. In relation to the PMF, members scrutinise:

- the actions of the Government's work during debates in the parliamentary chamber
- the Government's annual financial requirements (appropriations and expenditure estimates) and the expenditure of the Government
- Ministers during Question Time on their Ministerial performance (and the performance of their relevant portfolio agencies) on occasion.

Parliamentary Committees are tasked with making sure government administration is accountable to the Parliament and the people – investigating specific issues and reporting back to the Parliament. Some committees also have continuing roles to monitor and review public sector organisations or keep areas of the law or activity under review.

Further information on Parliamentary Committees, including areas of responsibility, activities and inquiries, forward submissions on committee inquiries, and the review reports of current and past committees can be found on Parliament's website at www.parliament.qld.gov.au.

Cabinet (including its Committees) and Ministers

Cabinet, being the hub of Executive Government and the Queensland Government's central decision-making body, sets priorities for governing Queensland – including exercising its decision making authority for whole-of-Government direction, policy and associated resourcing.

The whole-of-Government direction is informed by the Government's objectives for the community established by the Premier, together with commitments the Government has made during the course of its election campaign and its term of government, and agreements made with other governments through the Council of Australian Governments (COAG). Commitments and agreements generally become whole-of-Government policies and/or are translated into whole-of-Government strategies.

A *Charter of Fiscal Responsibility*, established by the Treasurer, gives details of the Government's fiscal objectives and the fiscal principles that support those objectives. This, and the Government's ongoing fiscal position also informs the whole-of-Government direction.

Cabinet Ministers implement government policy and carry out tasks of government administration through their portfolio. This includes any legislation the Minister is responsible for and the departments and statutory bodies reporting to them.

Chief Executive Officer (CEO) Leadership Board

The CEO Leadership Board, chaired by the Director-General of the Department of the Premier and Cabinet (DPC), comprises all Chief Executives of government departments and the Commission Chief Executive of the Public Service Commission (PSC).

The CEO Leadership Board provides a forum for discussion of performance issues and strategic risks and opportunities for departments.

Departments and statutory bodies (agencies)

The Queensland Government provides its services and functions through a variety of entity types. Entities that fall under the performance, planning and reporting provisions of the Financial Accountability Act 2009 (FAA) are departments, public service offices, and statutory bodies.

The desired outcome of government agencies is to collectively deliver the whole-of-Government direction. Agencies have statutory responsibilities for managing their performance under the FAA, *Financial and Performance Management Standard 2009* (FPMS), and the *Public Sector Ethics Act 2008* as identified in the PMF Policy.

Central agencies

In addition to statutory responsibilities applicable to all agencies, DPC, Queensland Treasury (Treasury), and PSC each play a key role in managing public sector performance.

DPC and Treasury each have a role in administering provisions of the FAA and its subordinate legislation, the FPMS, with DPC being responsible for provisions related to planning, performance and the non-financial aspects of annual reporting.

DPC's primary role is to support and advise the Premier and Cabinet so that the Government's policies can be met. This includes having responsibility for the design and oversight of the operation of the PMF. Key activities in this regard include:

- driving achievements as outlined in the statement of the Government's objectives for the community
- supporting the Premier and Cabinet to drive delivery of government priorities and strategies
- analysing performance information across the Queensland public service to improve alignment with the Government's objectives for the community
- monitoring delivery of public commitments, Cabinet and the Cabinet Budget Review Committee (CBRC) decisions, and government responses to independent reviews
- advising government on the performance of agencies
- providing advice to agencies to improve performance management, including on the value and application of performance management.

Treasury is the lead agency for financial management services and economic advice to the Government and manages the State's fiscal position. It publishes policies and standards relating to agency financial management documentation (such as annual financial statements). Treasury is also the custodian of the *Queensland Government Financial Accountability Framework* (FAF) including the processes and legislative requirements with respect to the annual State Budget and financial reporting by the whole-of-Government and individual departments and statutory bodies.

DPC and Treasury also monitor outcomes of performance benchmarks in COAG National Agreements and National Partnership Agreements.

The PSC is responsible for driving workforce strategy for the Queensland Government with activities undertaken to support ongoing improvement of the PMF including:

- providing informed advice and support to agencies in achieving an efficient, effective and high performing public service
- enhancing and promoting ethical culture through its lead agency role under the *Public Sector Ethics Act 1994* (PSEA) – establishing four ethics principles that are declared to be fundamental to good public administration
- promoting a culture of continual improvement in organisational and individual performance
- supporting the Chief Executive Service (CES) and the Senior Executive Service (SES) in the ongoing development and performance of this critical leadership cohort for the public service, including capability development of senior officers to progress into the SES
- authorising reviews of activities or functions of public service offices, and conducting reviews to improve the overall effectiveness and efficiency of government entities.

Individuals

It is important for individuals to be able to see, as directly as possible, how their work contributes to improving outcomes for customers, stakeholders and the community. Performance measures are designed to influence an individual's behaviour and, once aware of the basis on which they will be assessed, they are more likely to perform. Various mechanisms exist for planning, monitoring and assessing the performance of individuals at the executive government level, for Chief and Senior Executives of agencies, and for public service officers.

Independent bodies

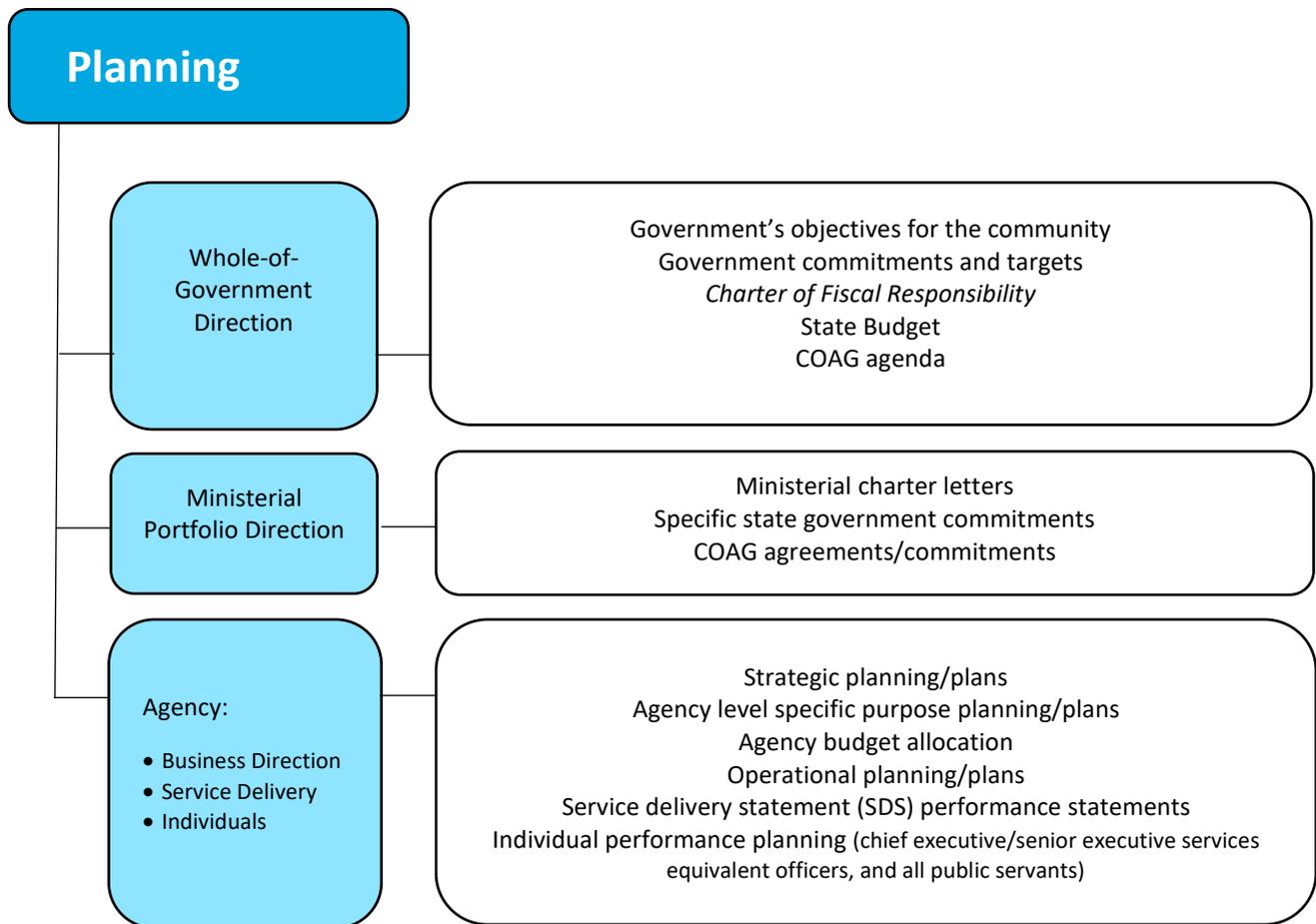
Independent scrutiny and reporting of government performance provides assurance to customers, stakeholders and the community that the Government is ensuring value for money in its expense management and creating value for customers, stakeholders and the community.

There are a number of State bodies established by legislation that provide independent views and/or assurance of the Government's performance. These include the:

- Queensland Audit Office (QAO)
- Queensland Ombudsman
- Crime and Corruption Commission
- Coroner
- Office of the Information Commissioner
- Integrity Commissioner.

Federally, the Review of Government Services Provision Steering Committee, established by the Productivity Commission, looks at the equity, effectiveness and efficiency of government services in Australia on an annual basis in the Report on Government Services (RoGS).

Key arrangements and requirements



Planning is about establishing the 'what, where, why and how' to ensure the Government is headed in the right direction – being prepared for future opportunities and challenges, and able to achieve the best possible outcomes for the community in the most effective and efficient way possible.

Whole-of-Government direction

Government's objectives for the community

Government objectives for the community, prepared and tabled in the Legislative Assembly by the Premier, establish the whole-of-Government direction and in so doing informs the business direction of government agencies.

For further information see <https://www.premiers.qld.gov.au/publications/categories/plans/governments-objectives-for-the-community.aspx>.

Government commitments and targets

Commitments made by an incumbent government, during the course of its election campaign and its term of government, generally represent the Government's specific proposals for achieving its broad objectives for the community. These proposals will often translate into plans and strategies (including whole-of-Government specific purpose plans) and include targets setting specific, observable, measurable objectives for improvement in key policy areas.

Delivery of such commitments, and the achievement of associated targets, often requires effective collaboration between government agencies, business and the community.

Charter of Fiscal Responsibility

A Charter of Fiscal Responsibility (Charter), prepared and tabled in the Legislative Assembly, sets out the Government's fiscal objectives and the fiscal principles that support those objectives.

For further information see <https://www.treasury.qld.gov.au/budget-finance/government-fiscal-strategy/index.php>

State Budget

The Government publicly discloses its plans and intended results and achievements in the annual State Budget and the appropriation process. The Budget details the Government's strategic direction, priorities and plans, its fiscal and economic policies, and major expense and revenue initiatives. Each year, the Government produces several documents, tailored to different audiences, to communicate the key elements of the State Budget. The number and contents of the documents vary from year to year.

For further information see <http://budget.qld.gov.au/>

COAG agenda

COAG is the peak intergovernmental forum in Australia comprising the Prime Minister, State and Territory Premiers, and Chief Ministers, and the President of the Australian Local Government Association.

COAG's role is to promote policy reforms that are of national significance, or which need coordinated action by all Australian governments, and its agenda is instrumental in influencing whole-of-Government and ministerial portfolio direction.

The Intergovernmental Agreement on Federal Financial Relations establishes the framework for funding the achievement of nationally agreed outcomes. The agreement aims to improve the quality and effectiveness of government services by reducing Federal Government prescriptions on service delivery by the States – providing them with increased flexibility in the way they deliver services to the Australian people. In addition, it provides a clearer specification of roles and responsibilities of each level of government and an improved focus on accountability for better outcomes and better service delivery.

For further information see <http://www.coag.gov.au/>

Ministerial portfolio direction

Ministerial charter letters

Cabinet is collectively responsible for and will be held jointly accountable by the community for delivery of the whole-of-Government direction. To ensure all Ministers are clear on their responsibilities, the Premier sets out each Minister's priorities in a Ministerial Charter letter.

For further information see <https://www.cabinet.qld.gov.au/ministers/charter-letters.aspx>

Specific State Government commitments

Ministers take responsibility for the delivery of specific government commitments related to their portfolio responsibilities, which often requires close collaboration with other ministers.

COAG agreements/commitments

From time to time, the Queensland Government makes agreements with other governments through COAG, often committing to specific targets and milestones.

Ministers have responsibility for leading or contributing to specific National Agreements and National Partnership Agreements that define the objectives, outcomes, outputs and performance indicators and clarify the roles and responsibilities that guide the Federal and in the delivery of services across key sectors.

Ministers may also have responsibility for leading or contributing to significant national reform projects.

Details of responsibilities bestowed on individual ministers are highlighted in Ministerial charter letters.

Agency: business direction and service delivery and individuals

Strategic planning/plans

Strategic planning is an ongoing process whereby agencies reflect on the strategic direction of their organisation relating to and contributing towards achievement of the Government's objectives for the community.

In determining an agency's business direction, the purpose, vision and objectives of the organisation need to be clearly defined, appropriate strategies for delivering on the objectives identified, and appropriate performance indicators established to measure the extent to which the agency's objectives are achieved over time. Consideration also needs to be given to potential strategic risks and opportunities.

This process should culminate with the preparation of a concise strategic plan which clearly articulates the agency's direction to staff, customers and other community stakeholders. It should also set the parameters for operational planning.

Specific purpose planning/plans

Agencies are required to ensure that the performance of their capabilities – human, financial, information, physical assets and ICT – is adequately planned for.

Specific purpose planning focusses on an area of strategic importance to an agency. Examples of specific purpose planning include corporate procurement planning, workforce planning and waste reduction and recycling planning.

Some specific purpose planning is mandatory and governed by legislation specific to those plans or the agency that has ownership of the policy from a whole-of-Government perspective.

Discretionary specific purpose planning is generally considered to be better practice for agencies to develop and adopt these plans to improve agency performance and ensure greater alignment to the whole-of-Government direction (Government's objectives for the community, priorities and strategies).

Specific purpose planning can occur on an annual or ongoing basis depending on specific policy and/or legislative requirements. Information about the mandatory and discretionary specific purpose plans is provided in Attachment A of the *Agency Planning Requirements* <https://www.qld.gov.au/gov/sites/default/files/agency-planning-requirements.pdf>.

Specific Purpose Plans should be aligned with the agency's strategic and operational plan(s).

Agency budget allocation

Each year the Government approves a budget for agencies to deliver their services and capital program. The development of the budget for each agency involves submissions to CBRC as part of the annual Budget process. During the year, agencies can also seek variations to their approved budget for emergent priorities. Budgets for each agency are published in the Service Delivery Statements (SDS).

Operational planning/plan

Agencies deliver services to customers and stakeholders that ideally benefit the community, create value and influence trust and confidence in public sector service delivery.

The agency's strategic plan should be translated into operational terms through an operational planning process – focussed on answering the question, 'How will we deliver our services?' Where there is alignment with the agency business direction, the delivery of services should create value.

Operational plans, or business plans as they are commonly termed, need to be developed for relevant levels of an agency as considered appropriate, or for the whole agency, covering a period of not more than one year. Service standards (demonstrating the efficiency and effectiveness of service delivery) must be included, aligning with performance information in the organisation's strategic plan and budget documentation.

SDS performance statements

Agencies are required to consider non-financial performance information (including measures and targets) to be reported on in an upcoming State Budget – including reviewing and assessing previously reported information to ensure its continued appropriateness (incorporating factors such as relevance, cost, value and usefulness). This must be done in consultation with DPC and Treasury.

For further information see <http://budget.qld.gov.au/budget-papers/>

Individual performance planning/agreements — chief executive (CE)/senior executive services (SES) equivalent officers

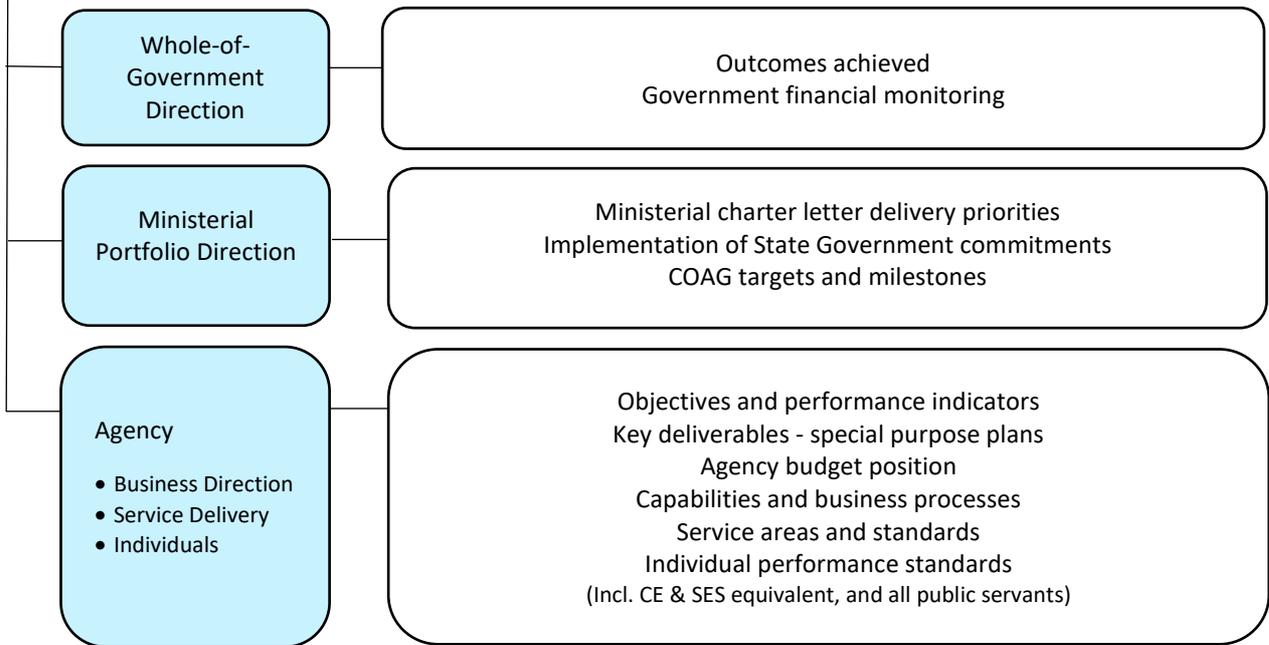
For Chief and Senior Executives, specific frameworks are in place for enhancing the performance and professional development of this cohort. This includes specific performance agreements incorporating ethics objectives.

For further information see <https://www.qld.gov.au/gov/executive-performance-agreements>

Individual performance planning/plans — public servants

All public servants should have plans/agreements established to ensure that their performance is effectively managed, developed and recognised. These plans/agreements should align with the agency's strategic and operational objectives, and clearly establish the role and expectations of individuals and identify training and development needs. This process helps to foster a culture of open communication; to motivate individuals; and to build their understanding of, and commitment to, the agency's business.

Measuring and Monitoring Performance



Measuring and monitoring performance is about looking critically at what is being done, identifying areas of good performance, and areas where performance can be improved on to achieve the best outcomes possible.

Whole-of-Government direction

Outcomes achieved

Individual agencies are responsible for measuring and monitoring the achievement of whole-of-Government commitments where the agency has a lead role.

DPC has responsibility for monitoring whole-of-Government performance relating to delivery of the Government’s commitments and priorities more broadly, and provides progress reports periodically to the Premier and Cabinet in this regard.

Whole-of-Government financial monitoring

Treasury monitors the Government’s overall fiscal position. This involves managing the Consolidated Fund, including administered revenues received by it and appropriations paid from it. Updates on the fiscal position are regularly provided by Treasury to the Treasurer and to CBRC.

Ministerial portfolio direction

Ministerial charter letter priorities

The Premier meets regularly with each Minister, Assistant Minister and relevant Directors-General to monitor progress on the delivery of priorities and commitments, and discuss new and emerging risks and opportunities facing the portfolio.

Implementation of government commitments

Ministers are responsible for the delivery of their Government commitments, which includes election commitments and commitments drawn from Ministerial charter letters. DPC, working closely with departments, coordinates whole-of-Government monitoring and reporting to track implementation of Government commitments.

COAG targets and milestones

National Agreements and National Partnership Agreements set objectives, performance indicators and targets. DPC and Treasury monitor and assess:

- the performance of Queensland in achieving the outcomes and performance benchmarks specified in the National Agreements
- progress towards the pre-determined performance benchmarks for National Partnerships with reward payments
- the performance of Queensland in achieving the outcomes and performance benchmarks specified in National Partnerships that support the objectives in the National Agreements.

Agency: business direction and service delivery and individuals

Objectives and performance indicators

A performance report is required to be provided at least every three months to the accountable officer or board, and at least annually to Ministers (or when the Minister asks for the information), about the agency's achievement, or progress toward the delivery of, its strategic plan.

Key deliverables – specific purpose plans

It is incumbent on agencies to monitor progress in achieving key deliverables, including specific performance measures/targets, associated with specific purpose plans of the agency.

Agency budget position

An agency must, in accordance with section 19 of the FPMS, manage its expenses in accordance with the expense management system to achieve reasonable value for money. While not specifically defined in the FPMS, ensuring value for money is one of the three objectives of the State Procurement Policy. A key focus of reporting will be on actual expenditure compared to the budget.

Capabilities and business processes

Agencies need to ensure that the performance of their capabilities - human, financial, information, physical assets and ICT – is monitored against performance measures set out in the relevant specific purpose plans.

The agency's performance management systems should report performance information that will enable an assessment of whether the agency is:

- managing its human resources effectively
- ensuring administrative practices and management procedures have proper regard to the public sector ethics principles and approved codes of conduct
- optimising its revenue base
- minimising agency liabilities, including its contingent liabilities
- actively monitoring transactions and balances that may have a material impact on the agency
- optimising the use of, and benefits from, its cash, physical and other resources
- managing its information efficiently and effectively
- ensuring that the agency's physical assets are physically secure and in good repair
- ensuring that essential back-up exists in respect of critical ICT systems and data.

From a whole-of-Government perspective, the performance of agency administrative services (capabilities) are monitored by the relevant lead agency, such as the PSC for HR performance, Department of Housing and Public Works for building asset performance and procurement, or the Queensland Government Chief Information Office for ICT.

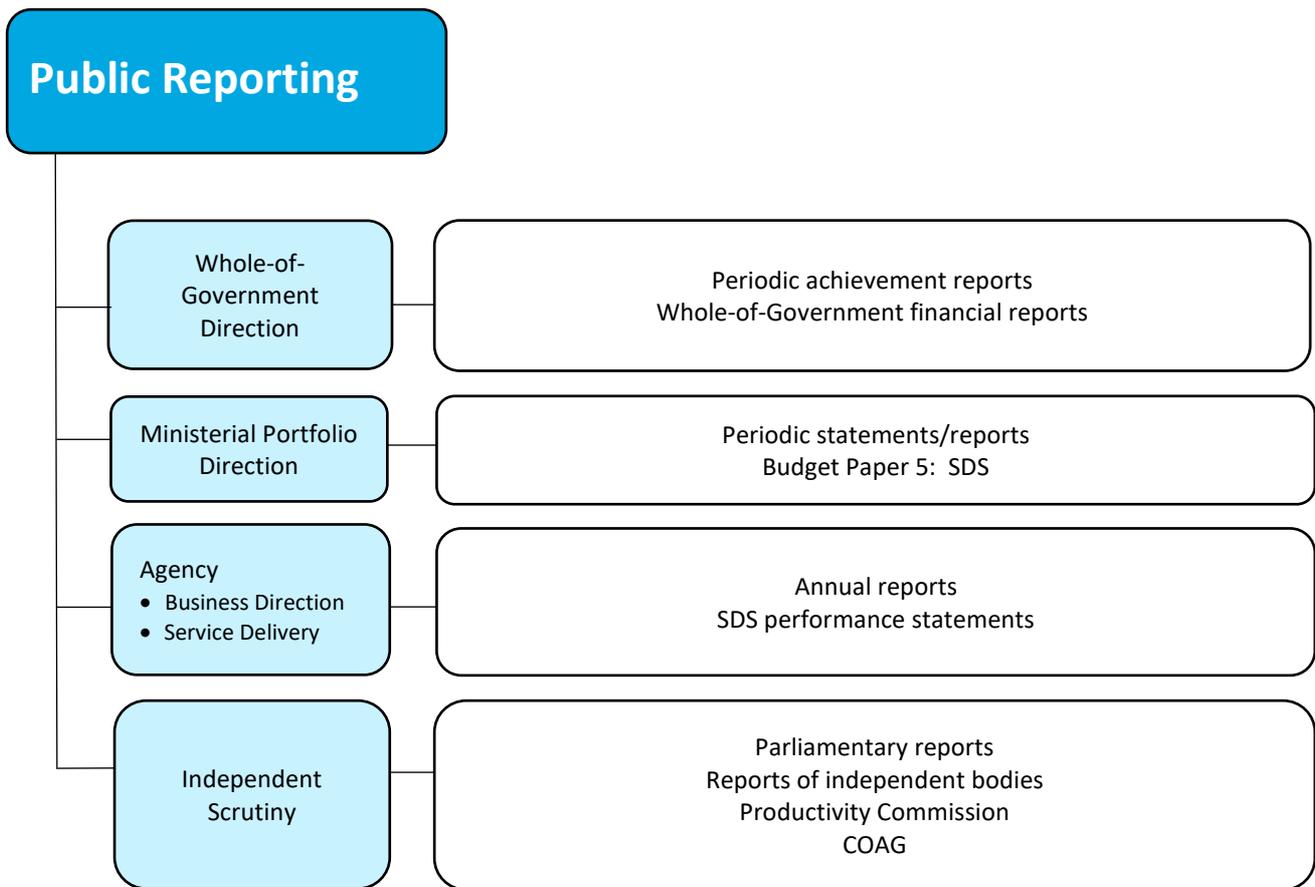
Service areas and standards

At least every three months, it is necessary to provide a performance report about the agency's services in its operational plan to the accountable officer or board, and at least annually to Ministers (or when the Minister asks for the information).

Individual performance reviews

Generally, for CE and SES equivalents agreements, a performance development assessment is undertaken annually, facilitated by the PSC, with a mid-year performance and development check undertaken for executives to receive performance feedback from their supervisor.

A similar process is undertaken for all public servants with a performance development plan/agreement, with assessments undertaken by supervisors.



Publishing performance information is essential for accountability, transparency, driving continuous improvement in performance, and influencing trust and confidence in public sector service delivery.

Whole-of-Government Direction

Periodic achievement reports

Outcomes achieved against the Government’s objectives for the community and whole-of-Government priorities and strategies are reported in a number of different ways, including through Ministerial statements in Parliament, media releases, and ministerial speeches. Further, whole-of-Government plans or strategies addressing particular issues for Queensland often establish specific public reporting arrangements as considered appropriate.

Whole-of-Government financial reports

Treasury regularly publishes information in relation to the State’s financial performance. These reports include the Report on State Finances, Mid-Year Fiscal and Economic Review and Queensland State Accounts.

Ministerial portfolio direction

Periodic statements/reports

Progress on the delivery of government commitments and priorities is again reported in a number of different ways including through Ministerial statements in Parliament, media releases, and ministerial speeches.

Further, specific reports are also published advising on progress and delivery of government commitments at a whole-of-Government level.

Budget Paper 5: SDS

SDS documents provide budgeted financial and non-financial information for the budget year. A separate document is provided for each portfolio. These documents are a key accountability mechanism subject to public scrutiny and forming the basis of questioning during parliamentary estimates processes.

Agency: business direction and service delivery

Annual reports

The primary document through which agencies report on their performance is the agency's annual report, the content of which is prescribed by the FPMS (section 50), with detailed requirements contained in the Annual Report Requirements for Queensland Government Agencies.

SDS performance statements

The SDS performance statement, forming part of Budget Paper 5, report on service standards and targets for each of the agency's service areas, including the agency's estimated actual results against the targets set in the prior year's SDS.

Independent scrutiny

Independent reporting of government performance is important for providing assurance to customers, stakeholders and the community that the Government is ensuring value for money in its expense management and creating value for customers, stakeholder and the community.

Parliamentary reports

Parliamentary Committees regularly report back on the outcomes and recommendations in reports of the Auditor-General.

Productivity Commission

At the federal level, an annual Report on Government Services (RoGS) is released by the Productivity Commission providing information on the equity, effectiveness and efficiency of government services in Australia.

COAG

COAG publicly report on the performance of the Federal and state governments in achieving performance requirements specified in National Agreements.

Reports of independent bodies

Reports are periodically produced by state bodies established by legislation like the Queensland Audit Office, Ombudsman, Coroner, and the Crime and Corruption Commission, which report on government performance.

Often, the Government may also commission independent reports from experts and/or consulting firms when it perceives there is a need for an independent evaluation of performance of a policy or strategy.