

Performance Management Framework

Service Delivery Statements: Performance Statement

Better Practice Guide

Publication date – April 2017

Contact

For further information or advice, contact:

Performance Unit

Cabinet Services

Department of the Premier and Cabinet

Email: pm@premiers.qld.gov.au

Telephone: 07 3003 9192

Contents

Introduction.....	3
Purpose	3
Application	3
Background.....	4
The Performance Management Framework and the SDS	4
The Budget	5
The purpose of the SDS.....	6
The Performance Statement.....	6
Processes to develop the Performance Statement for the SDS	6
Roles and responsibilities in developing the SDS.....	6
SDS Service Performance.....	8
The Performance Statement.....	8
Service logic.....	8
Service Areas.....	9
Service Area Objective	10
Service Area Description	10
Services	10
Materiality.....	10
Service Area Highlights	11
Service standards	11
Service effectiveness	13
Efficiency	14
Whole-of-Government measures	14
Notes to Service Standards	14
Discontinuing Service Standards	15
Data dictionaries	15
Setting targets.....	15
Line item budget	15
Machinery of Government	16
Appendices	17
Service Performance Statement	17

Introduction

Purpose

The Service Delivery Statements (SDS) provides budgeted financial and non-financial information of the portfolio for the Budget year and are published on the State Budget website (<http://www.budget.qld.gov.au/>). Additionally, the SDS are reviewed through a series of parliamentary Estimates Committee hearings which comprise Government and non-Government members. This process informs general parliamentary debate on the Budget and ensures the accountability and transparency of the overall Budget process.

This guide aims to provide agencies with information for the development and improvement of the elements of the Performance Statement presented in the SDS. Additional information is also provided in the *PMF SDS Performance Statement – Toolkit*.

Suggested references



Budget Process

Queensland Treasury

<https://www.treasury.qld.gov.au/budget-finance/budget-process/index.php>



PMF Service Delivery Statements: Performance Statement – Toolkit

Department of the Premier and Cabinet

<https://www.qld.gov.au/gov/sites/default/files/performance-statement-toolkit.pdf>

Application

This guide is relevant to all Queensland Government departments, and where considered material by Queensland Treasury (QT) for SDS reporting (generally Tridata entities), statutory bodies and other entities such as Commercialised Business Units and Shared Service Providers.

As a general rule, if the agency prepared an SDS for the previous year's Budget, an SDS should be prepared for the current Budget. Contact your Treasury Analyst or the Tridata help desk (tridata.help@treasury.qld.gov.au) if you have any questions in relation to whether your agency is in scope for reporting in the SDS.

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

This guide will be periodically reviewed and updated by the Department of the Premier and Cabinet (DPC) Performance Unit, in consultation with relevant stakeholders, to ensure the information contained is accurate and relevant. A formal review of this guide will commence 12 months after initial publication.

Background

The Performance Management Framework and the SDS

'Providing the right amount of easy-to-understand performance information, on the right issues, promotes informed decision-making'

Public Service Commission, *A guide for performance practitioners: Organisational performance management – bringing the business together*, 2009, pg. 10.

The Queensland Government Performance Management Framework (PMF) is designed to improve the analysis and application of performance information to support accountability, inform policy development and implementation and create value for customers, stakeholders and the community.

The PMF establishes a clear line of sight between planning, measuring and monitoring performance and public reporting.

The relationship between the key PMF documents and the related elements from each is presented in Figure 1.

In the case of the SDS, the service areas should clearly align to the agency's objectives in the current strategic plan. The service areas and service standards should also inform operational planning and internal reports, ultimately being reported in agency annual reports.

PRINCIPLE

The clear line of sight principle requires that there is alignment between the agency's objectives in the strategic plan and the service areas published in the SDS.

If alignment is achieved, it should be clear as to how the performance of a service area or service contributes to the achievement of the agency's objectives in the strategic plan.

Suggested references



Queensland Government Performance Management Framework

Department of the Premier and Cabinet

<https://www.qld.gov.au/gov/sites/default/files/performance-management-framework.pdf>



Agency Planning Requirements

Department of the Premier and Cabinet

<https://www.qld.gov.au/gov/sites/default/files/agency-planning-requirements.pdf>

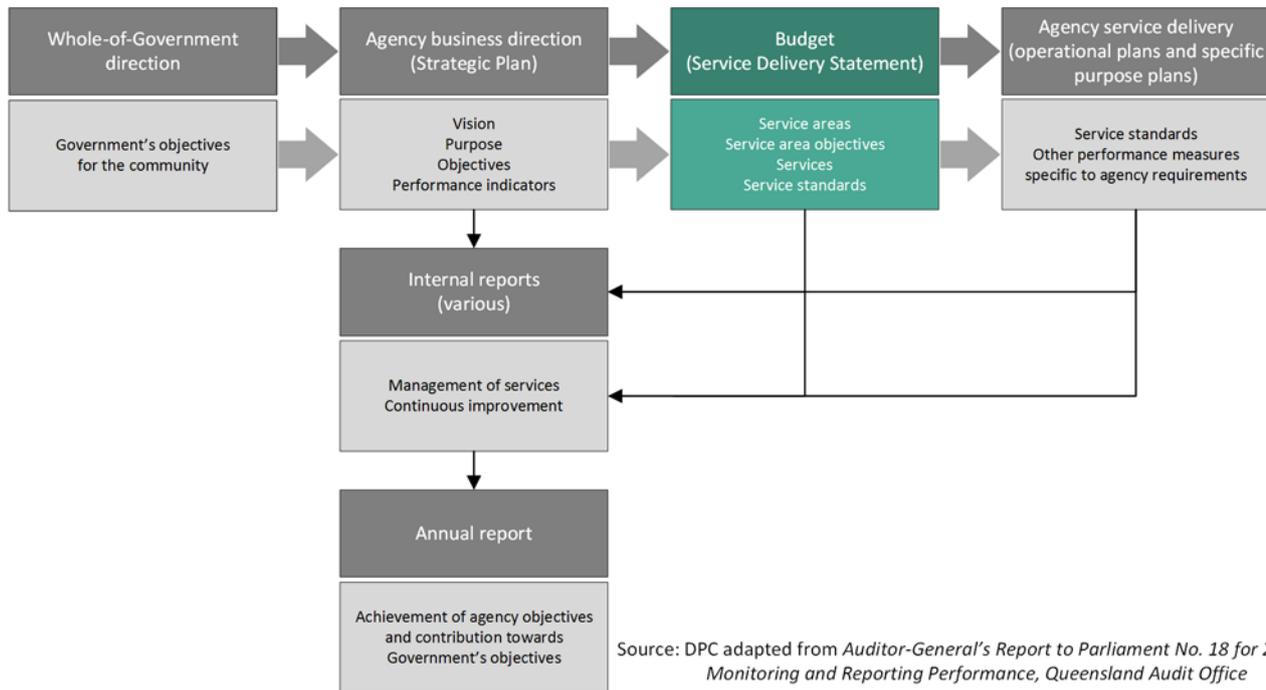


Annual Report Requirements for Queensland Government agencies

Department of the Premier and Cabinet

<https://www.qld.gov.au/gov/sites/default/files/annual-report-requirements.pdf>

Figure 1. Key PMF documents and the related elements that form the 'clear line of sight' principle



The Budget

Under the *Financial Accountability Act 2009*, each financial year, the Queensland Government must prepare and table in the Legislative Assembly a budget for the State and for each portfolio, i.e. the State Budget. The State Budget details the Government's strategic direction, priorities and plans, its fiscal and economic policies and major expense and revenue initiatives. The State Budget is generally presented as five documents, collectively referred to as the Budget Papers (BP):

BP1 - Budget Speech

a speech outlining the Government's strategic directions, priorities and plan

BP2 - Budget Strategy and Outlook

information on total Government revenues and expenses and financial statements for the whole-of-Government
an overview of the State's recent economic performance and forecasts of key economic aggregates

BP3 - Capital Statement

information on budgeted capital outlays

BP4 - Budget Measures

a summary of policy decisions, made by Government since the previous Budget, that have funding impacts

BP5 - Service Delivery Statements

provides budgeted financial and non-financial information for each Ministerial portfolio.

The Treasurer presents the Budget Papers to the Queensland Parliament (in June in a 'normal' budget year). The Budget Papers are published on the State Budget website (<http://www.budget.qld.gov.au/>).

Suggested reference



Budget Process

Queensland Treasury

<https://www.treasury.qld.gov.au/budget-finance/budget-process/index.php>

The purpose of the SDS

The SDS provides a prospective focus, detailing budgeted financial and non-financial information about each General Government reporting agency for the current and coming financial year. In this way, it complements the longer term focus of agency strategic plans and the retrospective focus provided in agency annual reports, which document actual performance for the previous financial year.

The SDS is also an important source of information for the annual estimates hearings held by each parliamentary portfolio committee, which take place following the Budget presentation. This process informs general parliamentary debate on the Budget and ensures the accountability and transparency of the overall Budget process.

The Performance Statement

The SDS contains a Service Performance section, which includes a Performance Statement presented by service area, aligned with agency and government objectives. The primary aim of the Performance Statement is to present performance information on how the agency delivers services efficiently and effectively in achieving desired service delivery outcomes (objectives). The Performance Statement also allows Ministers and the Government to assess performance and make informed policy decisions.

Agencies identify their material services (services), which are grouped into relevant service areas. Service standards (efficiency and effectiveness measures) and targets are presented for each service area and service. Agencies report estimated actual results against the service standards published in the prior year's SDS. This is outlined in more depth in the [SDS Service Performance](#) section of this guide.

Processes to develop the Performance Statement for the SDS

There are two separate but related processes for the development of the SDS:

- the annual review of non-financial performance information proposed to be published in the SDS (the Annual Review process) which is coordinated by the Department of the Premier and Cabinet (DPC)
- the preparation of the entire SDS for the Budget (the Budget process) which is coordinated by Queensland Treasury (QT).

More information on the roles of DPC and QT can be found below in [Roles and responsibilities in developing the SDS](#).

The precise timeframes for these processes may vary from year to year, depending on the date set for the tabling of the Budget and other factors, however the processes remain largely the same. Timeframes for both processes are outlined in the *PMF Reference Guide - Queensland Public Sector Strategic Management Planner*.

Suggested reference



PMF Reference Guide – Queensland Public Sector Strategic Management Planner

Department of the Premier and Cabinet

<https://www.qld.gov.au/gov/sites/default/files/strategic-management-planner.pdf>

Roles and responsibilities in developing the SDS

Agencies

Agencies must regularly review and assess the non-financial performance information (particularly the service standards) presented in the SDS to ensure its continued appropriateness (including factors such as relevance, cost, value and usefulness).

Agencies are expected to work with central agencies (DPC and QT) in reviewing non-financial performance information presented in the SDS each year, and in the preparation of Budget documentation.

Service standards should be captured in agency operational planning, and internal measuring and monitoring processes throughout the year that allows accountable officers and statutory bodies to determine whether the agency is delivering services in an effective and efficient manner and achieving the published targets. The actual results against the published targets for each service standard is presented in the annual report for the agency.

Annual Review Process

As prescribed under the PMF, and as a part of the continuous improvement of performance information, DPC leads an Annual Review of the non-financial performance information published in the SDS.

DPC works closely with QT to review agencies' proposed Performance Statements. The focus of this work is to ensure that:

- agencies have clearly defined and measurable service area objectives
- material services are identified for service areas (if appropriate)
- service areas and services have a balanced set of service standards and targets that report on efficiency and effectiveness.

A consistent effort to improve agency performance information reflects the fact that previously selected measures are subject to change over time – agency objectives change, priorities change, different users emerge.

State Budget Process

QT is responsible for the annual State Budget preparation (including preparation of the SDS), working closely with DPC. QT will set the Budget timeframes and liaise with agencies on their submissions of both the financial and non-financial sections of the SDS.

In the Budget process, the SDS is prepared in two stages, the non-financial performance information (the front section) and the financial performance information (the back section).

SDS Service Performance

The Performance Statement

The Performance Statement brings together the non-financial performance information for agency service delivery. Agencies must develop the following key elements for each service area presented in the SDS:

- the **purpose** (objective) of the service area (how the service area contributes to the achievement of agency objectives)
- **service area description** provides supporting contextual information about the services being delivered, such as related services, customers and stakeholders
- **material services** (services) within each service area (if appropriate), ensuring that material services identified have a separate line item budget, where practicable
- **service area highlights** provides a brief discussion of the highlights for the budget year
- a balanced set of **service standards** and **targets** for each service area/service (at least one efficiency measure and at least one effectiveness measure for each service area/service).

A typical presentation of a Performance Statement is shown in the Appendices to this guide.

Service logic

The Government's broad objectives for the community will only be achieved through coordinated service delivery across multiple agencies. In order for agencies to deliver services that will achieve the Government's objectives, services need to be delivered from a 'one government' perspective. That is, agencies need to design service areas from a customer, stakeholder and community perspective and coordinate and integrate service delivery from a whole-of-Government perspective.

The Auditor-General observed that the way in which services were grouped in the SDS was commonly along the lines of organisational structures, rather than using a 'service logic' approach. It was suggested that this approach resulted in combinations of unrelated services (Report 18: 2013–14 *Monitoring and Reporting Performance* (p.20)).

Service logic diagrams depict the framework used for measuring and managing the non-financial performance of service delivery. They provide context by:

- defining the situation, priorities and objectives;
- identifying what is used/invested (inputs)
- identifying what is done and who is reached (outputs)
- identifying what is to be achieved, how and when (outcomes).

Service logic diagrams develop and articulate what we want to achieve using simple questions – what, why, who and how – to cut through complexity and focus activity and resources.

Logic models can be used to help determine appropriate performance measures, by identifying the sequence of activities that are undertaken in order to achieve the desired outcome.

DEFINITION

What is service logic?

“The ‘logic model’ is a simple but powerful tool that is fundamental to the practice of performance measurement. The logic model is used to integrate inputs, activities, outputs and outcomes into a meaningful and compelling ‘story’ about the performance of a public program.

The logic model has to be founded on a clear understanding of the ultimate outcomes to which a program is supposed to be contributing. Only once there is agreement about ultimate outcomes and about the structure of the logic model, can you then proceed to the development of performance indicators.”

Source: Institute on Governance 2002, *Not a 'Tool Kit': Practitioner's Guide to Measuring the Performance of Public Programs*, Ottawa Canada.

Implementing a service logic approach to the grouping of services will 'relate and align objectives, inputs, processes and outputs to outcomes'.

A service logic can be used for service areas comprising either a single service, where there is one-to-one correspondence between output and outcome; or groupings of interrelated services which work together to produce common outcomes against a common objective' (Report 18: 2013-14 *Monitoring and Reporting Performance* (p.22)). Governments use a mix of methods to deliver services to the community, including:

- delivering or providing the services directly (a 'delivery/provider' role)
- funding external providers through grants or the purchase of services (a 'purchaser' role)
- subsidising users (through vouchers or cash payments) to purchase services from external providers
- imposing community service obligations on public and private providers
- providing incentives to users and/or providers, such as reducing tax obligations in particular circumstances (known as 'tax expenditures') (Source: Productivity Commission, Report on Government Services).

There is no 'one size fits all' approach in applying a service logic model, however two widely used models are the Wisconsin Model and that used by the Productivity Commission in the Report on Government Services (ROGS).

Suggested references



Good Practice Guide: Service Logic Model

Queensland Audit Office

<https://www.qao.qld.gov.au/reports-resources/good-practice>



Logic Models

University of Wisconsin-Extension

<http://fwi.uwex.edu/programdevelopment/logic-models/>



Approach to performance reporting

Australian Government: Productivity Commission

<http://www.pc.gov.au/research/ongoing/report-on-government-services/2016/approach-to-performance-reporting>

Service Areas

The performance information of each agency, published in the SDS, is presented as high level service areas, which are used to communicate the broad types of services delivered by an agency. Service areas have defined objectives, which are aligned to agency strategic direction. They encompass related material services, grouped where they contribute to a common service area objective.

Agencies need to develop an accurate, meaningful and informative specification of their service areas. The specification of an agency's service areas should support decision-making by a wide range of users, in particular, Parliament, Ministers, agency management and the general community.

Because every agency is different, there is no one set of rules to prescribe how to develop a service area structure. The most appropriate service areas for an agency are a matter of judgement for the individual agency and the appropriate Minister. However, service areas should be determined using a 'service logic' approach, in that the service areas will collectively allow readers to interpret how agency services are

MINIMUM REQUIREMENT

An exemplary service area will have a clear purpose and deliver outputs and outcomes that will help the agency achieve its objectives.

Where a service area comprises multiple services, each material service should be identified.

Services should only be grouped where they contribute to common objectives and outcomes.

contributing to the achievement of objectives. Similarly, agencies need to ensure that all material services are identified (see section on [Services](#)).

When developing service areas, the principles established for reviewing service areas, services, service standards and targets detailed in the PMF SDS Toolkit may be a useful reference.

Suggested reference



PMF Service Delivery Statements: Performance Statement – Toolkit

Department of the Premier and Cabinet

<https://www.qld.gov.au/gov/sites/default/files/performance-statement-toolkit.pdf>

Service Area Objective

This should be a succinct statement that outlines the purpose of the service area and explains how it contributes to the achievement of agency objectives, as presented in the current strategic plan. It is important that service area objectives are outcome focussed, clearly stated and measurable in order to enable stakeholders to assess what the intended outcomes are and if they have been achieved.

Service objectives should also be pitched at a level that is within the scope of an agency's influence. If the service area objective is too high level, it attributes responsibility for achievement of outcomes at the wrong organisational level.

Service Area Description

This provides supporting contextual information for each service area about the services being delivered, such as related services, customers and stakeholders. The description should be a high level explanation of the services (activities and processes) provided by the service area. It should not include achievements of the service area – this is more appropriate for the agency's annual report.

Services

Agencies are required to report on material services and to include a line item budget for each service identified under a service area. See sections on [Materiality](#) and [Line item Budget](#) for more information.

Each material service identified must identify at least one efficiency service standard and at least one effectiveness service standard. See section on [Service standards](#) for more information.

Materiality

Materiality is the threshold at which omission or misstatement of performance information could influence decision making.

There is no quantitative threshold that will uniformly determine materiality for each agency (AASB, *Framework for the Preparation and Presentation of Financial Statements*, QC11), however considerations may include percentage of budget allocation, percentage of FTEs, Government priority areas and community interest. Agencies are to determine materiality limits using their own discretion.

The Productivity Commission has criteria for selecting which government services are included in RoGS reporting. These criteria may be helpful for agencies in determining their service area structure. Relevant criteria include:

- ➔ making a significant contribution to the outcomes of services provided by other governments (for example, COAG agreements)

- making an important contribution to the community and/or economy, such that there is significant public interest in the effectiveness and efficiency of service provision.

Source: Productivity Commission, ROGS 2016, Chapter 1, p1.6

Suggested reference



Financial Reporting Requirements for Queensland Government Agencies - 2B Materiality

Queensland Treasury

<https://treasury.qld.gov.au/publications-resources/financial-reporting/2016/frr-2b-materiality-2016.pdf>

Service Area Highlights

This section should provide a brief, high level discussion of the service area's Budget highlights for the forthcoming year. In particular, this should detail any key initiatives which form part of the relevant Ministerial Charter letters and/or the Government's commitments and how these will be delivered to achieve the whole-of-Government direction.

Service standards

The *Financial and Performance Management Standard 2009* (section 12) describes the need for accountable officers to have systems in place to determine whether objectives are being achieved 'efficiently, effectively and economically', essentially demonstrating a 'value for money' outcome, and if an agency is delivering 'the services stated in its operational plan to the standard stated in the plan'.

Knowing how well an agency is currently performing against its objectives is essential to allow it to determine if it needs to alter its strategies or policies, or re-evaluate its objectives to ensure value is delivered to its customers, stakeholders and the community. To allow this ongoing assessment, it is critical that SDS service standards are incorporated in operational planning (and other internal planning and reporting as required by individual agency circumstances).

The relevance, usefulness and comprehensiveness of service standards are subject to ongoing review by agencies and central agencies. Under the *Auditor General Act 2009*, the relevance of performance measures may be the subject of audit scrutiny and comment. In this context, it is important that the starting point for performance measures is information which is required by agency management to effectively allocate and manage resources to deliver required outcomes.

Therefore, service standards are set with the aim of defining a level of performance that is appropriate and expected to be achieved, enabling Government, Parliament and the public to assess whether or not agencies are delivering services to acceptable levels of efficiency and effectiveness.

Are we measuring the right things?

Service standards work best when there is clarity about what is being measured and why. The right things to measure will be ultimately influenced by a balance of customer and stakeholder expectations, and the whole-of-Government direction and the agency's business direction.

Are we measuring it right?

Public sector performance has often been measured in terms of what the Government has done (for example, measures of input, process and activity, ie. busyness). It is essential for public sector performance to reach a level of maturity which focuses on measurement in terms of service outcomes (what is achieved) by developing effectiveness and efficiency service standards.

As such, agencies must develop a balanced set of service standards and targets for each service area / service - at least one efficiency

MINIMUM REQUIREMENT

It is a requirement that each service area / service have at least one measure of efficiency and at least one measure of effectiveness.

These measures should be interrelated, in order to 'tell the performance story' of an agency's service delivery.

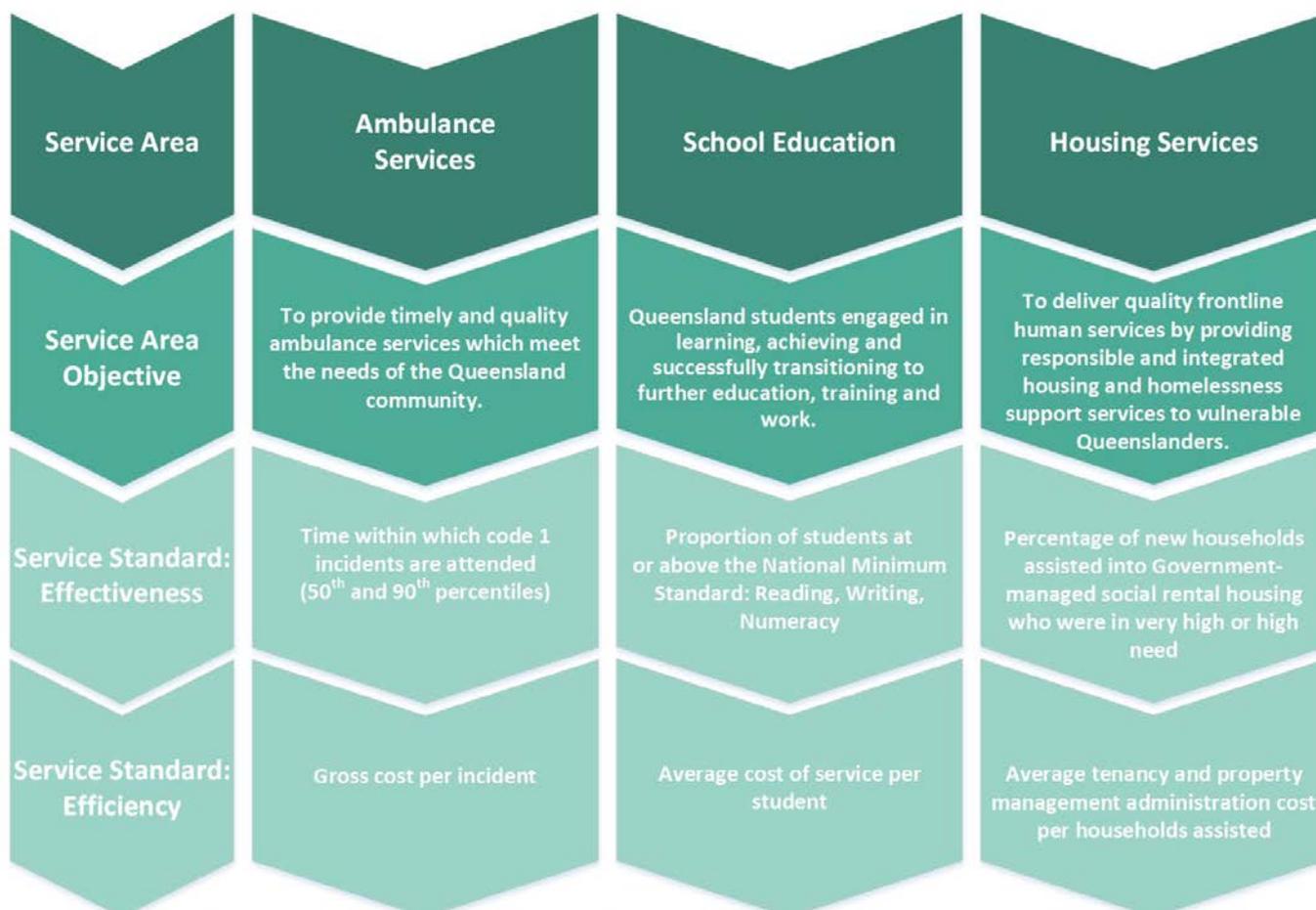
measure and at least one effectiveness measure for each service area and service. This was supported by the Auditor-General in *Report 18: 2013–14 Monitoring and Reporting Performance* (p.41):

For the performance of a service area to be fairly represented by the standards selected requires consideration of which services contribute most to the objective, and which consume the most funds. This may mean that more than one efficiency and more than one effectiveness standard is needed; particularly where a service area comprises multiple services or functions.

Service standards must closely align to the service objective in order to successfully demonstrate whether desired policy outcomes are being achieved. **Figure 3** demonstrates the alignment of service standards to objectives across a range of government service delivery.

Agencies are encouraged to develop an action plan for the ongoing development of measures for the SDS as it is recognised that the development of new measures takes considerable time and effort (including internal testing of new measures to obtain baseline data before publication in the SDS).

Figure 3. Alignment of Service Standards to Service Area Objectives



Note that the service standards provided are examples only and are not intended to be exhaustive examples of the service standards that would be required to adequately and fully demonstrate achievement of the stated objectives.

In a number of recent audit reports, the Auditor-General has identified issues with the accuracy of externally reported performance information stating that absent or weak controls over non-financial performance information in agencies has led to inaccurate reporting of performance information (*Report 3: 2016-17 Follow-up: Monitoring and reporting performance* (*Report 18: 2013–14*), p32). Further information on data quality is provided in the *PMF Reference Guide – Measuring, Monitoring and Reporting Performance*.

Other types of measures

Service standards are intended to demonstrate efficiency and effectiveness. Measures of activity, process, input, quality or access/equity may be relevant to and retained for an agency's internal monitoring, but generally are not acceptable for inclusion in the SDS. However, in some cases, inclusion of these measures may be justified because of public interest to demonstrate change in demand for a service, or as a proxy measure where it is not cost effective to collect information to measure efficiency or effectiveness. In such cases, the agency should include a notation to the measure in the SDS to explain the purpose of the measure and why it is considered an important measure of the agency's performance.

Suggested references



PMF Service Delivery Statements: Performance Statement – Toolkit

Department of the Premier and Cabinet

<https://www.qld.gov.au/gov/sites/default/files/performance-statement-toolkit.pdf>



PMF Reference Guide – Measuring, Monitoring and Reporting Performance

Department of the Premier and Cabinet

<https://www.qld.gov.au/gov/sites/default/files/measuring-monitoring-reporting-performance.pdf>



Financial Accountability Handbook – Volume 1.5, Efficient, effective, economical and value for money

Queensland Treasury

<https://www.treasury.qld.gov.au/publications-resources/financial-accountability-handbook/>

Service effectiveness

Effectiveness is about demonstrating how well an agency has delivered on its objectives. Service effectiveness measures reflect how well the actual outputs of a service achieve the agency's objective/s — describing the quantifiable extent of the outcome experienced by recipients as a result of the level and quality of the service provided. Service effectiveness is commonly expressed as a ratio or percentage of the outcome to the output.

In the context of the SDS, this means measuring how well an agency has met service area objectives (which in turn support the delivery of the agency's strategic plan objectives). Effectiveness measures should be clearly aligned to service area objectives, and ideally be supported by a relevant efficiency measure in order to represent the full performance story.

Customer satisfaction with service delivery can be a proxy measure for service effectiveness if it measures overall service effectiveness covering dimensions such as timeliness, responsiveness, accuracy, completeness and accessibility of advisory services.

Where other measures are not available, service effectiveness is often measured through customer and/or stakeholder satisfaction. To be considered a measure of service effectiveness, the satisfaction survey must seek feedback on all drivers of satisfaction. Further information on measuring customer satisfaction is detailed in the PMF Reference Guide: Measuring Customer Experience.

Suggested references



PMF Reference Guide – Measuring Customer Experience

Department of the Premier and Cabinet

<https://www.qld.gov.au/gov/sites/default/files/measuring-customer-experience.pdf>



PMF Service Delivery Statements: Performance Statement – Toolkit

Department of the Premier and Cabinet

<https://www.qld.gov.au/gov/sites/default/files/performance-statement-toolkit.pdf>

Efficiency

Efficiency measures help to answer questions like:

- How much does it cost to deliver this service or product?
- Is this service or product efficient in the way it uses public money for policy purposes?

While measuring efficiency is important, it needs to be in conjunction with measuring effectiveness. Government services which are provided efficiently may not be meeting customer, stakeholder or the broader community's needs.

The Auditor-General described efficiency as being 'about making the most out of available resources (dollars, people and infrastructure) to optimise the quality and quantity of services produced' (*Report 18: 2013-14 Monitoring and Reporting Performance* (p.22)). They are expressed as a ratio of capabilities (resources) to outputs.

The concept of efficiency has three dimensions. The *Report on Government Services* describes overall economic efficiency as requiring satisfaction of technical, allocative and dynamic efficiency (*Report on Government Services 2015*, p 1.18):

- *technical efficiency requires that goods and services be produced at the lowest possible cost*
- *allocative efficiency requires the production of the set of goods and services that consumers value most, from a given set of resources*
- *dynamic efficiency means that, over time, consumers are offered new and better products, and existing products at lower cost.*

Measures of timeliness are often incorrectly substituted for measures of efficiency. For example, the percentage of items processed within a service standard (timeframe). These types of measures fail to provide the necessary data to measure the efficiency of the service – it does not provide information on how much it cost, or whether the service was resourced excessively.

Whole-of-Government measures

Agencies should take into consideration the appropriate level to set their service standards. The Auditor-General commented in his report that there were instances where service standards were pitched at too high a level (*Report 18: 2013–14 Monitoring and Reporting Performance*). That is, some service standards were outside of the control of one particular agency (whole-of-Government measures), requiring action on the part of several agencies.

Generally, these measures should only be included in the SDS if considered appropriate, and if the measure is reported elsewhere (ie. in a whole-of-Government report). If a whole-of-Government measure is supported by central agencies for inclusion in the SDS, a note should be included identifying it as a whole-of-Government measure and clearly articulating the agency's role, making reference to other agencies / stakeholders involved.

Notes to Service Standards

Explanatory notes to the Performance Statement are used to provide context and understanding for the reader, rather than having overly descriptive service standards. Notes can detail the purpose (including context as to meaning) of the service standard, along with an explanation of issues such as why a measure has been introduced or discontinued, changes in wording of a service standard, change in calculation methodology, or change in responsible agency in the case of a Machinery-of-Government change. For further information in relation to these types of changes, see the section on [Machinery-of-Government](#).

Try to avoid the use of jargon or too many acronyms in notes to measures, as these can reduce impact and confuse readers who do not have specialist knowledge. A good approach is to pitch the note to the general public.

If data is not available to report the estimated actual at the time of publication of the SDS, this should also be referenced in the explanatory note.

Discontinuing Service Standards

For the purposes of transparency, it is a requirement that any discontinued measures are captured in the discontinued measures table of the SDS. This should include the previously published target and estimated actual for the current financial year and be accompanied by a note explaining why the measure will no longer be reported on, and/or where it will be continued to be reported. The actuals for discontinued service standards are reported in an agency's annual report.

Data dictionaries

A data dictionary is a tool that is used to document the purpose of service standards, their alignment to agency and whole-of-Government objectives, data collection and calculation methodology, and reporting requirements. The purpose of a data dictionary is to improve interpretation of the data for external readers, and for internal users it helps to develop a common understanding of the definition of the service standard and data management requirements to ensure data consistency and accuracy.

Agencies should develop data dictionaries for each service standard in the SDS and are encouraged to make these available on their website. A data dictionary template is available in the PMF SDS Toolkit.

Suggested reference



PMF Service Delivery Statements: Performance Statement – Toolkit

Department of the Premier and Cabinet

<https://www.qld.gov.au/gov/sites/default/files/performance-statement-toolkit.pdf>

Setting targets

Targets for the service standards published in the SDS are proposed by agencies as part of the Annual Review and Budget processes. They are forecasting estimates, based on analysis of historical performance and trends, current government policy contexts and priorities, agency capability and customer demand.

If achievement of a target becomes impractical or not feasible, the agency should explain why that is the case and what legislative, regulatory, or other actions are needed to accomplish the target and whether the target should be re-cast. An explanatory note should be included to explain any issues or changes to targets.

Suggested reference



PMF Reference Guide – Measuring, Monitoring and Reporting Performance

Department of the Premier and Cabinet

<https://www.qld.gov.au/gov/sites/default/files/measuring-monitoring-reporting-performance.pdf>

Line item budget

Each service area presented in the SDS must include a line item budget. In addition, where a service area has identified material services, each service should have a separate line item budget, where practicable.

Machinery-of-Government

Machinery-of-Government (MoG) changes have implications for the SDS, particularly the change of functions from one agency to another and how it affects the presentation in the SDS. In the instance of a MoG change, the Performance Statement should be recast in the following Budget as if the new service area structure had existed in that agency from 1 July of the previous year.

The *Administrative Arrangement Orders* (AAO) set out the responsibilities of ministers and their portfolios and are re-issued or amended when a MoG change takes place. The latest AAO can be found at <http://www.qld.gov.au/about/how-government-works/government-responsibilities/>.

Each agency (giving and receiving) should consult with each other about the transfer of either service areas, services or service standards and additional explanatory notes should be provided throughout to explain the move to a new service structure in the Performance Statement for both agencies.

Presentation of service standards in the SDS

Giving agency – Service standards being transferred to another agency are to be published in the discontinued measures table in the SDS of the giving agency.

Receiving agency – Service standards being received from another agency are to be presented in the receiving agency's Performance Statement, or if no longer relevant, presented in the discontinued measures table in the SDS of the receiving agency.

Explanatory notes must be provided against each service standard affected by a MoG change.

Appendices

Service Performance Statement

Service performance

Performance statement

[Service Area Name]

Service area objective

[service area objective]

Service Area description

[service area description]

Services:

- *Material Service name*
- *Material Service name*

[year] service area highlights

In [Insert year], the service area will:

- [Budget highlights for the service area]
- [Budget highlights for the service area]

[agency name]	Notes	[year] Target/Est.	[year] Est. Actual	[year] Target/Est.
Service Area: Service Area name				
Service: Service name				
Service standards <i>Effectiveness measures</i>				
<i>Efficiency measures</i>				
Service: Service name				
Service standards <i>Effectiveness measures</i>				
<i>Efficiency measures</i>				

Notes:

1.