



MINISTERIAL ADVICE

Date for action:	Reason (Mandatory Field): An ESO Round Table is being conducted on 12 November 2015, at which the new indicators for sub-programmes 1.1, 1.2, 1.3 and 1.6 will be presented and discussed.
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For Action: Minister for Veterans' Affairs

PROGRAMME PERFORMANCE INDICATORS

Purpose: To inform you of a new suite of Programme Performance Indicators for the Department's core businesses, being Rehabilitation and Support, Health and Community Services and Commemorations and War Graves.

Key Points:

1. Implementation of the *Public Governance, Performance and Accountability Act 2013* (PGPA) continues, with phase two, planning and performance, becoming effective from 1 July 2015. The PGPA framework introduces a new report, the Annual Performance Statement, which is to be included in annual reports and can be subject to review by the Auditor-General.
2. Phase two implementation requires entities to review their respective outcome and programme structures and ensure performance indicators are measurable in accordance with Department of Finance (Finance) and ANAO guidance. This is a "whole of government" initiative, with all departments and agencies required to refresh their respective performance indicators. Performance indicators are to be reported in corporate plans, annual Portfolio Budget Statements (PBS), with actual performance to be reported in the new Annual Performance Statement. The intention is to create a clear read from plans to actual results.
3. The Department's assessment against the new requirements showed that the existing performance indicators needed to be refreshed. Accordingly, we have taken the opportunity to update the indicators, particularly to focus on results, ensure better measurability and better accountability and transparency over those results. The rationale for the changes is outlined in Attachment A, and the new indicators compared to the existing key performance measures, are set out in Attachment B.
4. Pursuant to current Finance advice, the PBS for 2016-17 is to include the new performance indicators, with these indicators to be also reported in Corporate Plans for 2016-17 onwards, and in the Annual Performance Statements for that same year and onwards. It is the Department's intention to rollout the new indicators in parallel with the existing key performance measures for 2016-17 to ensure acceptance of the new measures by all stakeholders.
5. An ESO Round Table is being held on 12 November 2015 at which the new indicators for sub-programmes 1.1, 1.2, 1.3 and 1.6 will be presented and discussed.
6. You should note, that the legislative and guidance documentation relating to phase two implementation remains in draft form until the Joint Committee on Public Accounts and Audit (JCPAA) has completed its review of the new framework. The JCPAA is expected to report by December 2015.



Financial Impact: N/A.

Regulation Impact: No.



Sensitivity: Yes. In respect to sub-programmes 1.1, 1.2, 1.3 and 1.6, the Department will be consulting with ESORT at a round table on 12 November 2015.

Consultation: Yes. Internally. The Executive Management Board, the respective Divisions responsible for the outcomes, and the Victorian and Queensland Deputy Commissioners. There has been no external consultation as yet.

Recommendation:

That you:

- i. **Note** the development of a new suite of Programme Performance Indicators for the Department.
Noted / ~~Please Discuss~~
- ii. **Note** the new Indicators will be first published in the Department's PBS for 2016-17, with the Corporate Plan being updated accordingly.
Noted / ~~Please Discuss~~

Approved By Graeme Rochow Chief Finance Officer and Assistant Secretary Resources Branch 6 November 2015 Phone: 02 6289 6620	
Contact Officer: Graeme Rochow	Phone: 02 6289 6620
 Stuart <small>(S 47/E(0))</small> 21/12/15 Comments / Supplementary tasking:	



Australian Government
Department of Veterans' Affairs

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Attachments:

- A. Programme Performance Indicators, Rationale for Changes.
- B. Comparator Table.