

## CONCEPTUAL FRAMEWORK FOR PERFORMANCE REPORTING

This conceptual framework supports performance reporting under the Intergovernmental Agreement on Federal Financial Relations. The framework was prepared by the Heads of Treasuries and endorsed by the Council of Australian Governments (COAG) in February 2011.

### OUTLINE

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<b>Part 2</b>	The conceptual framework <ul style="list-style-type: none"><li>• Step 1: Identify and describes the objective and outcomes</li><li>• Step 2: Identify performance indicators for outcomes</li><li>• Step 3: Identify performance indicators for outputs</li><li>• Step 4: Review appropriateness and proportionality of performance reporting</li></ul>
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## **PART 1: GUIDING PRINCIPLES FOR DEVELOPING PERFORMANCE INDICATORS**

The Intergovernmental Agreement on Federal Financial Relations (IGA) commenced on 1 January 2009 following the agreement of the Council of Australian Governments (COAG) in November 2008. The IGA seeks to enhance accountability of governments to the public through simpler, standardised and more transparent public performance reporting for all jurisdictions. Performance reporting under the IGA is a significant shift in how governments report to the community.

However, it is important to note that there is a range of performance reporting on government service delivery and activity outside the IGA. For example, reports by the Steering Committee for the Review of Government Service Provision (the Steering Committee), the Australian Institute for Health and Welfare and the Australian Bureau of Statistics. Performance reporting under the IGA should complement these activities, rather than duplicate reporting efforts.

The nature of the policy collaboration, including its relative risk and importance, determines the type of agreement under the IGA that is appropriate for implementation, which in turn provides a general guide on the nature and number of performance indicators required. In all cases, performance reporting and measurement should be proportionate to the risk, funding and importance. It should also be kept to the minimum amount necessary for accountability and transparency.

The following provides a general guide:

- ***National Agreements*** (NAs)  
NAs focus on high level public accountability for outcomes. When choosing how many indicators to include, drafters need to balance the need to adequately measure the outcomes against the need to keep the agreement simple and publicly transparent, with an expectation that no more than ten be included in any single NA. Output indicators should only be used where outcomes cannot be measured directly and where there is a clear link between an output and desired outcome.
- ***Reform-based National Partnership Agreements*** (Reform NPs)  
Reform NPs may include intermediate outcomes or output measures that are developed with the same conceptual link between performances measures and the desired outcome.
- ***Project NPs***  
Performance reporting for NPs that are solely project-based should be limited to milestones, which are defined as the completion of a phase of a project. Where NPs include a mix of project and reform elements:
  - Performance benchmarks underpinned by outcomes data (where available) should be used to report on reform elements and trigger reward payments.
  - Project milestones should be used to report on project elements and trigger project payments.

- ***Project Agreements***

Project agreements will include less reporting compared to other agreement types because these agreements are designed to implement lower risk and materially lower value initiatives. Like Project NPs, performance under these agreements should be limited to an agreed and proportionate set of project milestones.

This framework is focused on NAs and Reform NPs and does not seek to provide detailed advice for developing Project NPs.

Performance indicators under NAs and Reform NPs should be meaningful, simple and comprehensible to the public. When developing performance indicators for NAs and Reform NPs specifically:

- Indicators should be limited to those necessary to measure performance and inform the public about reform progress;
- There should be at least one performance indicator for each outcome, noting that:
  - in some cases a high level outcome may require multiple indicators; and
  - in other cases, a single indicator may describe progress against multiple outcomes;
- As a general rule, output reporting should be limited; and
- Indicators should not measure inputs.

In designing appropriate indicators, negotiating parties need to keep in mind the costs associated with creating new data collections and look to existing sources where possible.

## **PART 2: THE CONCEPTUAL FRAMEWORK**

With these principles in mind, the conceptual framework should be used to guide the selection of performance indicators that are appropriate and proportionate with respect to quantity and quality. Importantly, the conceptual framework is to be used in conjunction with the IGA, the Federal Finances Circular No 2010/01 (for developing NPs) and other relevant guidance.

*The conceptual framework consists of four steps*

<b>Step 1</b>	Identify and describe objectives and outcomes
<b>Step 2</b>	Identify performance indicators for outcomes <ul style="list-style-type: none"><li>• Intermediate and final outcomes</li><li>• Selecting performance benchmarks</li></ul>
<b>Step 3</b>	Identify performance indicators for outputs <ul style="list-style-type: none"><li>• Proxy measures</li><li>• Progress measures</li></ul>
<b>Step 4</b>	Review appropriateness and proportionality of performance reporting <ul style="list-style-type: none"><li>• Conceptual adequacy</li><li>• Data adequacy</li><li>• Reporting burden</li><li>• Decision flow charts</li></ul>

**Step 1: Identify and describe the objective and outcomes**

All NAs and NPs should provide a statement of shared government intent. This is the overarching objective of the agreement.

An objective should be expressed as the improvements that governments expect to observe from implementing the agreement effectively. Where a reform-based or project-based NP is related to a NA, the objective (and outcomes) of the NP should be logically linked to those in the NA.

***Thought prompt***

- What is the future state that is desired?

All NAs and NPs should identify outcomes. These are more specific goals than the broad objective.

Outcomes describe the impact which the government activity is expected to have on community wellbeing. Outcomes should be expressed as concise, unambiguous and realistic statements that focus on the end result being sought by governments, rather than the means for achieving it. In principle, progress in achieving outcomes should be measurable, even if the required data are not readily available.

***Thought prompts***

- What are the impacts on or the consequences for the community of government activities?
- Are there likely to be both short term and long term consequences?

**Step 2: Identify performance indicators for outcomes**

NAs and Reform NPs should focus on high-level performance indicators that link to outcomes.

Outcome indicators should describe progress towards the achievement of agreed objectives. These indicators should be clear and logically linked to an outcome so that the community is adequately informed about the progress governments are making towards an outcome. The link between a performance indicator and an outcome should be evident to the general public. In addition, a performance indicator must provide a strong measure of progress against an outcome and should detect real change in an outcome over time. It is imperative that the direction of change that represents progress against an outcome is specified.

Outcome indicators typically measure the status of individuals or the community (not the inputs or outputs associated with a government service). Where the timeframe for achieving an objective is long term, it may be appropriate to develop short, medium and long term outcome indicators. 'Intermediate' outcome indicators should be developed to demonstrate progress in the short and medium term. Reasons for adopting intermediate indicators should be included in the agreement to inform the public about how these fit into the performance story.

Indicators should be identified from existing data sets wherever possible. When considering indicators the decision flow chart, provided at Step 4, should be used to assess appropriateness. It is particularly important to consider the timing of reporting, whether adequate data are available (for comparisons over time and between jurisdictions) and the costs of performance reporting.

***Thought prompts***

- Does the indicator logically link to the outcome and inform the public and is it easily understood by non-technical people?
- Are there significant external factors making attribution difficult? What is the expected timeframe for achieving results? Can longer term indicators be complemented with intermediate indicators?
- What indicators could be developed to demonstrate the achievement (or non achievement) of each intermediate result?

**Example of an outcome performance indicator**

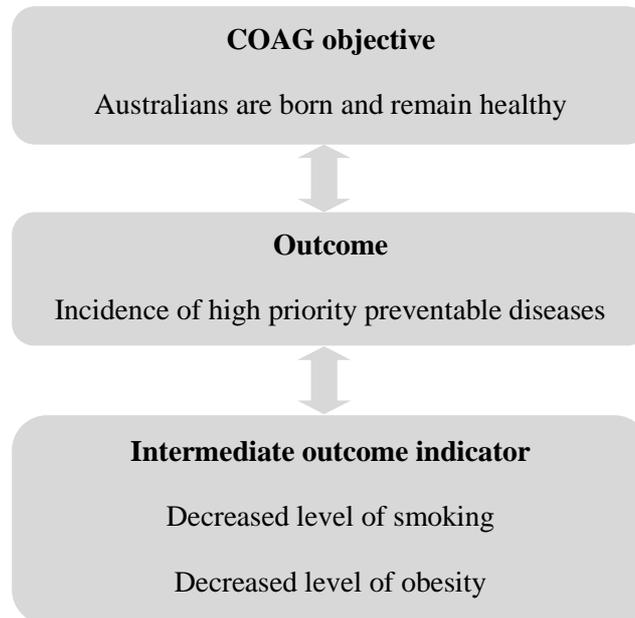
The National Healthcare Agreement objective of ‘Australians are born and remain healthy’ has two components: Australians are born healthy and Australians remain healthy.

Taking the first component, does an indicator exist that provides a high level outcome measure of whether Australians are born healthy? One response could be an indicator for low birthweight babies (current progress measure under National Healthcare Agreement).

For the second component, does an indicator exist that provides a high level outcome measure of whether Australians remain healthy? One response could be an indicator of important preventable diseases (current progress measure under National Healthcare Agreement).

However, for this performance indicator there is a time lag which will likely prevent assessment of progress in the short to medium term. Therefore, it might be appropriate to develop intermediate indicators. Some examples are a decreased level of smoking and a decreased level of obesity which are both outcomes on the path to reduced incidence or prevalence of important preventable diseases (see Chart C.1).

Chart C.1: Linkage between objectives, outcomes and intermediate outcome indicators under the objective ‘Australians are born and remain healthy’



In some circumstances, it may not be possible to identify relevant outcome indicators over the long, medium or short term and alternatives will need to be considered. For example, in some cases, new indicators may need to be developed. In making this decision, the costs associated with developing indicators must be weighed against the expected benefits. An appropriate alternative may be to rely on output indicators, which is discussed at Step 3.

#### *Thought prompts*

- What are the expected costs, relative to the benefits, of developing outcome indicators and how would data development be funded?
- Where appropriate outcome indicators cannot be developed, could output indicators be used instead? (Noting that output indicators would only be relevant in a small number of cases.)

#### *Performance benchmarks*

Performance benchmarks are the target levels or milestones that governments aspire to achieve through reform activities or service delivery improvements. A benchmark specifies the quantified change in a performance indicator that is expected if governments effectively progress reform activities or efficiently deliver outputs. Benchmarks are therefore tied to performance indicators.

Benchmarks are used to inform the general community about the effectiveness of government activities. NAs may include a limited number of outcome-level performance benchmarks. Although a benchmark must be tied to a performance indicator, it may not always be appropriate to develop a benchmark for each outcome. Benchmarks should be developed for performance indicators that measure the most ambitious goals.

Performance benchmarks are an essential component of NPs with reward payments, but can also support public accountability for facilitation NPs that sit underneath an NA.

For NAs and reform NPs, performance benchmarks should be few in number, high-level and reflect the highest order, most challenging goals toward attainment of outcomes. As a general rule, performance benchmarks should specify the period in which an outcome is expected to be achieved.

***Thought prompts***

- Which performance indicator measures progress against the most ambitious outcome?
- Can the rate of improvement or progress against an outcome be projected with reasonable confidence, thereby allowing the setting of an appropriate benchmark?
  - Historical data may hint at the rate of change to be anticipated under a ‘no policy change’ scenario
- Are proposed benchmarks ambitious, but realistically achievable?

**Step 3: Identify performance indicators for outputs**

As a general rule, NAs should focus on high level outcome-level performance indicators. Nevertheless output-level performance indicators may be appropriate in some agreements where outcomes are difficult to measure.

Reform NPs should also focus on outcome-level indicators. Yet for NPs with a specific purpose and short time frame, output-level performance reporting may better support public accountability. The relative significance of outcomes and outputs will vary between different types of NPs.

Outputs describe the services governments deliver to achieve outcomes. High-level outputs should be specified in NAs and NPs as narrowly defined outputs can constrain states’ responsiveness to changing demand, cost drivers, priorities and service delivery models. As such, detailed outputs are inconsistent with the overall objectives and design principles of the IGA.

Output-level performance indicators need to be logically linked to agreed outcomes and, in turn, the objectives, to support public accountability. Output-level indicators are not necessary if outcome-level performance indicators are available for an agreed outcome, as government accountability to the public would be met by reporting on the outcome-level indicators.

Output indicators are typically proxies for outcome indicators may serve three purposes: to overcome data limitations, to measure short term progress, and for project NPs.

*Overcome data limitations*

For NAs and reform NPs, some outcomes may not have data readily available against which performance can be measured and the cost of collecting data on outcomes may substantially outweigh the benefits in terms of public accountability. In these situations, performance indicators that measure outputs may provide proxy data from which progress against an outcome can be indirectly observed.

*Measure short term progress*

For NPs with a focus on implementing short-term reform, output indicators may provide necessary information to the public on government performance over the life of an agreement. The impact of an output on a priority outcome may not be measurable over the course of a short-term NP focused on a specific area of reform where progress is expected to occur at a slow rate. In this situation, performance reporting against outputs would enhance public accountability to a greater extent than performance reporting against outcomes. (Even some intermediate outcome-level indicators might not show statistically significant change on an annual basis). Output-level reporting may also be necessary for NPs with reward funding if data are not available to measure progress against outcomes on an annual basis at the jurisdiction level.

For NAs and longer-term NPs, performance indicators measuring outputs can also be informative where there is a lag between outputs and an improvement in outcomes and when progress against agreed outcomes cannot be measured on an annual basis. For instance, output-level indicators can document annual progress towards benchmarks, while outcome-level indicators can provide information on whether outputs are influencing outcomes on a less frequent basis (such as once every five years for outcome-level indicators using data from the Population Census).

*Support public accountability for project NPs*

For project NPs, outcomes can be focused on the efficient delivery of project. In these situations, output indicators provide relevant information on performance to the public. As project NPs are outside the scope of this framework, no further advice is offered on how to develop performance indicators in project NPs.

***Thought prompts to identify outputs***

- What is the problem being addressed?
- What services, programs and activities are governments delivering to address this problem?
- Who is the key beneficiary or target group for these services?
- How does a service, program or activity influence an outcome and what is the timeframe in which an effect may be detected?

***Thought prompts to develop output-level performance indicators***

- Are there sufficient outcome-level performance indicators?
  - If yes, output-level performance indicators would not be necessary.
- What changes might be observed if the output is delivered successfully?
- Are these changes directly attributable to the output?
  - Attribution can help to ensure the result arises primarily through delivery of an output and is pitched appropriately.

**Example of an output-level performance indicator used as a proxy**

Under the National Affordable Housing Agreement (NAHA), COAG has made a commitment to improve the housing outcomes of Indigenous Australians. Australians who have safe and secure housing are less likely to experience poor health and are more likely to be in stable employment.

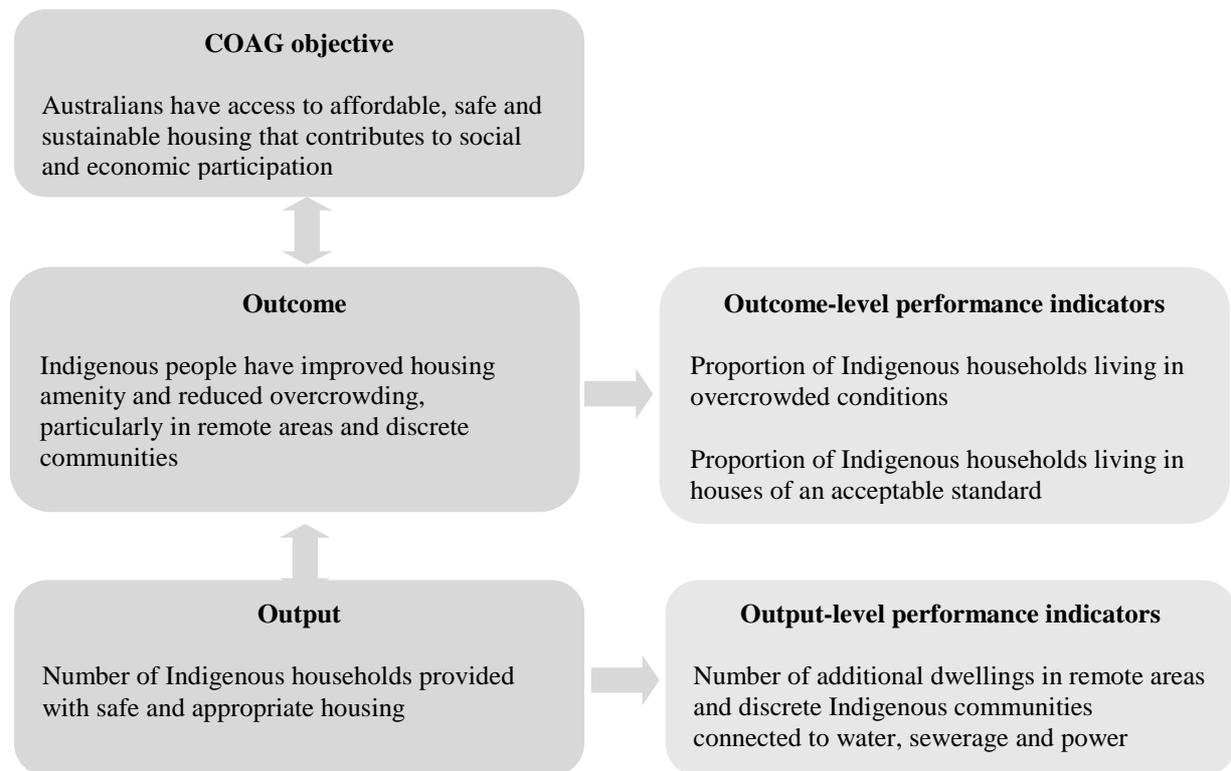
An outcome under the NAHA is that Indigenous people have improved housing amenity and reduced overcrowding, particularly in remote areas and discrete communities. Progress against this outcome is currently documented using two performance indicators, both of which measure outcomes rather than outputs (see Chart C.2). The Australian Bureau of Statistics collects survey data from the Indigenous population on these housing outcomes, though this survey data cannot be used to accurately report housing outcomes for the Indigenous population in remote areas and discrete communities.

To the extent progress in remote areas and discrete communities is a high priority in the community, the public may ask for performance data on housing outcomes to be available for this sub-population. Collecting data from Indigenous people in remote areas and discrete communities that would allow for accurate and comparable performance reporting on housing amenity and overcrowding would be expensive.

In this situation, public accountability may be supported by reporting against housing outputs. An example of a performance indicator capturing outputs would be the number of additional dwellings in remote areas and discrete Indigenous communities connected to water, sewerage and power. It is reasonable to expect that the provision of water, sewerage and power would enhance housing amenities and contribute to the long term objective of enabling all Australians to have access to affordable, safe and sustainable housing.

Another advantage of this output-level performance indicator is that it can be meaningfully reported on an annual basis. In agreements where many indicators measure progress against an outcome that will take some time to achieve (e.g. home-ownership rates), it will be important to consider performance indicators that can measure progress against relevant outputs in the short term.

Chart C.2: The linkage between an objective, outcome and output under the National Affordable Housing Agreement and associated performance indicators



### *Performance benchmarks*

In some NPs, performance benchmarks may be relevant for output-level indicators. As a general rule, performance benchmarks in NAs should focus on outcome-level indicators.

Guidance on the selection of outcome-level performance benchmarks in step 2 is also relevant to the selection of output-level benchmarks.

### **Step 4: Review appropriateness and proportionality of performance reporting**

When developing performance indicators it is imperative to comply with the performance indicator principles at Clauses C6-C8 of Schedule C of the IGA. In addition to reviewing indicators against these principles, both individual indicators and the proposed indicator set should be reviewed for:

- Conceptual adequacy (logic) — after completing the conceptual model, it should be tested by working from the performance indicator to outcomes (or outputs, where relevant) and the overall objective. It is recommended that data agencies and Ministerial Council data working groups be consulted on proposed indicators, particularly on whether an indicator would meet the criteria of meaningful and understandable (This was agreed in the Federal Financial Relations Circular 2010/01). Conceptual problems should be addressed prior to finalisation to avoid the issues with performance indicators identified in the current NAs.

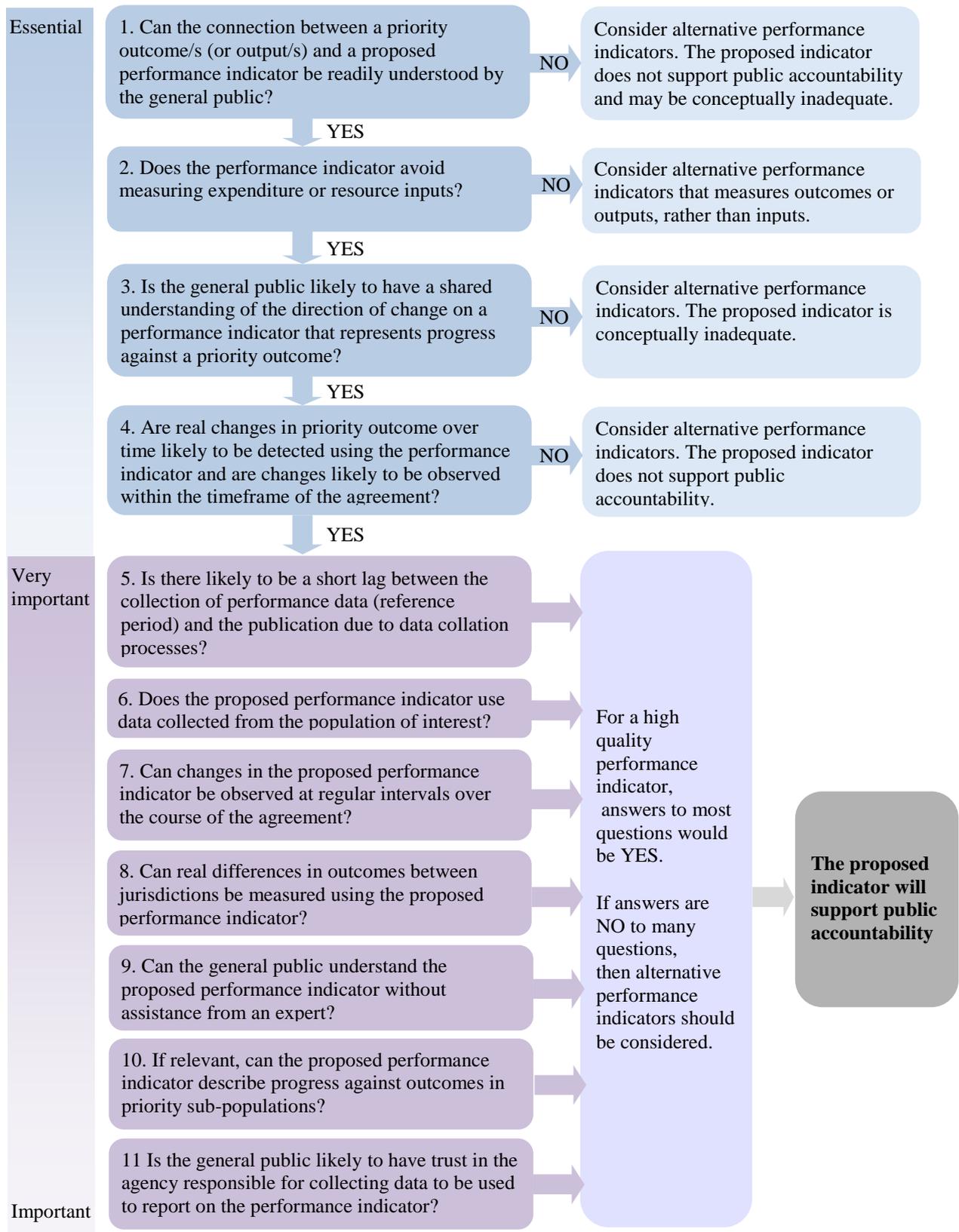
- Appropriateness — that the focus of performance reporting reflects the type of agreement, and contains the appropriate mix of outcomes indicators and output indicators.
- Proportionality — that the reporting burden (cost of data collection, collation, reporting and analysis) is justified given the financial and policy significance of the related agreement and the potential risks to reform.
- Estimated costs of reporting – having developed a set of indicators, the costs associated with reporting should be determined in parallel with the NP being finalised.
- Data adequacy — whether existing measures or data sets could be used to demonstrate if this result has been achieved. Existing measures should be listed against the relevant intermediate result. The Steering Committee can assist with this and should be consulted in this process. Where it is determined that there is no existing data set then funding must be set aside within the agreement for any data development required. Data adequacy should also consider:
  - Desirable frequency of reporting — balancing availability of data with anticipated rate of change that can be detected.
  - Capacity to measure changes over time, across jurisdictions and across target populations. The COAG Reform Council and the Steering Committee should be consulted in this process.

***Thought prompts***

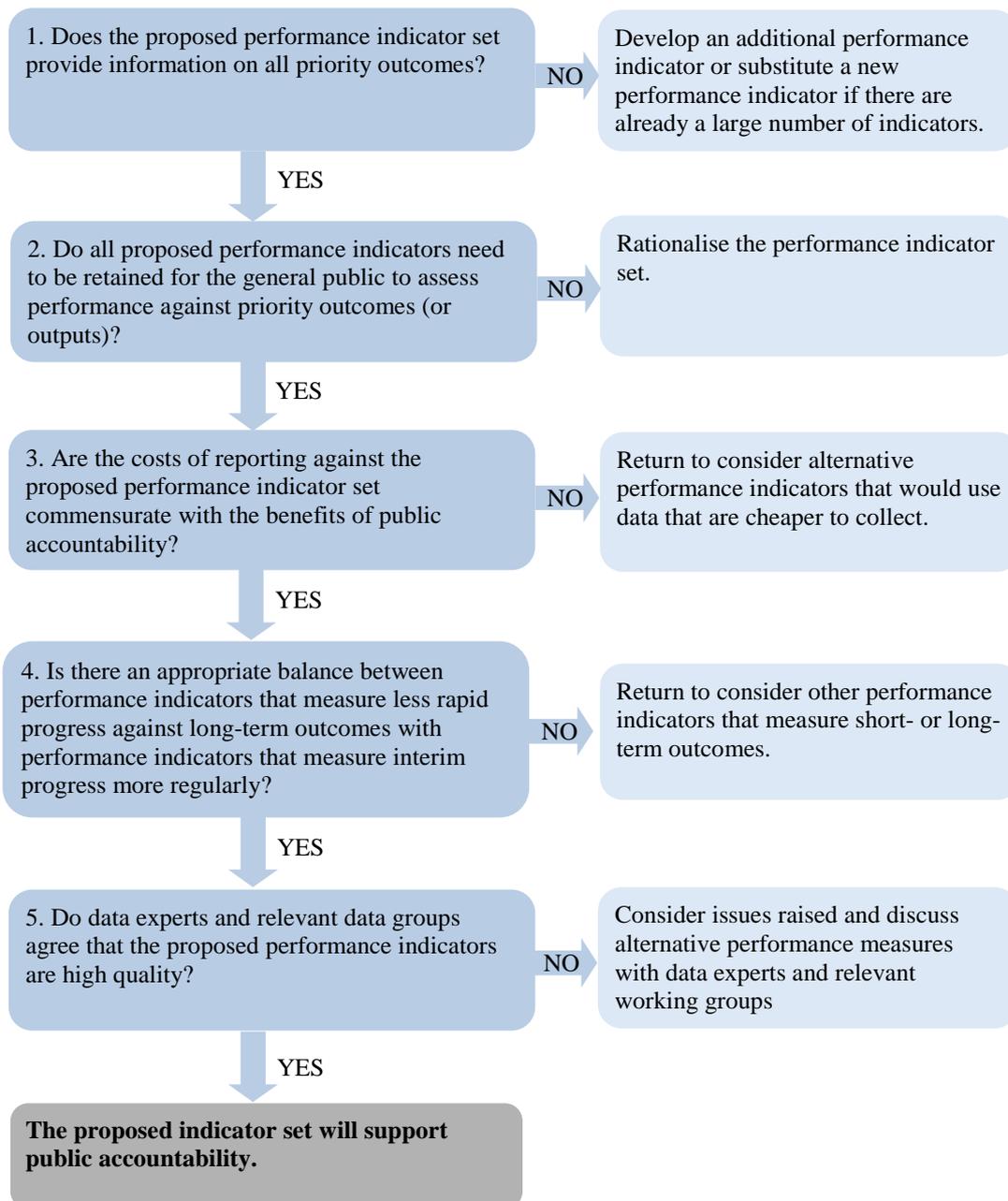
- Are there indicators to measure high level outcomes and, if required, short term progress against these outcomes?
- What data sets are already available?
- Where relevant, are there any existing data sets that could be used to measure any of the intermediate outcomes?
- Can data be sourced and provided within specified reporting timeframes?

The following decision flow charts provide a useful tool for developing performance indicators. The first flowchart is designed to assist in the assessment of individual indicators and the second flowchart is designed to assist in the review of a set of indicators. The flowcharts are supplemented by a list of features for good performance measures at [Attachment A](#). This list of features provides further guidance to that in the decision flowcharts below.

Decision flowchart to assess performance indicators



*Decision flowchart to assess a set of performance indicators*



## ATTACHMENT C.1: FEATURES OF GOOD PERFORMANCE MEASURES

The following criteria can be used to review the quality of a particular indicator (or set thereof). Performance measures (indicators and benchmarks) will not always meet all criteria.

This list can be used in conjunction with the seven broad characteristics of performance data agreed to under the IGA (outlined in Schedule 2 for National Agreements and the Federal Finances Circular 2010/01 of 18 March 2010 for National Partnership Agreements).

Where ‘measure’ is used in the list below, it applies equally to indicators and benchmarks.

Issue	Description
<b>Meaningful and Understandable</b>	<p>Does the measure accurately describe performance towards and the achievement of agreed objectives or outcomes?</p> <p>Does the measure provide a good indication of success?</p> <p>Does the measure aid public understanding of government achievement?</p>
<b>Timely</b>	<p>Has a timeframe been specified for the achievement of the outcomes?</p> <p>Can the data be collected at a frequency that aligns with the required reporting frequency?</p> <p>Is there a significant delay in collecting and collating data?</p>
<b>Comparable</b>	<p>Does the measure allow for comparisons:</p> <ul style="list-style-type: none"> <li>• over time?</li> <li>• between jurisdictions?</li> <li>• between target groups?</li> <li>• across similar programs or initiatives?</li> </ul>
<b>Administratively simple and cost effective</b>	<p>Have the costs of data collection been considered?</p> <p>Does the benefit created by performance reporting outweigh the administrative burden and costs of data collection?</p> <p>Have other measures been considered that may be more cost effective?</p>
<b>Accurate</b>	<p>Will data be of sufficient accuracy so that the community has confidence in the information on which to draw conclusions?</p>
<b>Hierarchical</b>	<p>Can the measure provide information on performance at a lower level, for example in target groups or areas?</p>
<b>Avoidance of perverse incentives</b>	<p>Has the measure been tested for unintended consequences?</p> <p>As far as possible, does the measure avoid encouraging perverse incentives?</p>
<b>Measurable</b>	<p>Is the outcome or output quantifiable?</p>
<b>Documentation</b>	<p>Is the measure stated in an unambiguous manner?</p> <p>Is it clear what is being measured?</p>

Issue	Description
	<p>Do data definitions explain:</p> <ul style="list-style-type: none"> <li>• what the measure is intended to show and why it is important</li> <li>• the data source</li> <li>• collection arrangements</li> <li>• measurement frequency</li> <li>• statistical techniques for calculating performance, including any baseline or historical data</li> <li>• data limitations, including those outside the control of government.</li> </ul> <p>Where a survey is used, have the following been documented:</p> <ul style="list-style-type: none"> <li>• the method used for selecting the sample?</li> <li>• the sample size?</li> <li>• response rates?</li> <li>• the margin of uncertainty in the reported level of performance?</li> </ul>
<b>Attributable</b>	<p>Is the outcome (or intermediate outcome) measured by the indicator attributable to the associated output group?</p> <p>Is the indicator measuring the performance logic at a place that reduces the level of external influences?</p>
<b>Use of existing data sets</b>	<p>Have all known existing data sets been considered for use to measure the impact of the associated output group (including administrative data sets)?</p> <p>Have the relevant data collection agencies and data working groups been consulted on the use of existing data sets?</p>

## **ATTACHMENT C.2: GUIDING PRINCIPLES FOR THE REVIEW OF EXISTING PERFORMANCE INDICATORS**

Indicators are created to improve public accountability and transparent public assessments of government performance, rather than acquitting for activities. As well as providing guidance for the drafting of new agreements, the framework is intended to be used to review the appropriateness of the performance indicators in existing agreements. Once this process has been undertaken, problematic indicators can be assessed against the following principles. These principles provide guidance for rationalising or changing existing indicators.

Guiding principles where the *rationalisation of indicators* is appropriate include:

- The relevant data working group and the Steering Committee are in agreement that it is unlikely that quality data will ever be available for use in reporting against the indicator.
- The costs of addressing the lack of data associated with an indicator are estimated to be significant compared with the benefit to be obtained in outcome measurement. If an alternative lower-cost indicator to assess performance against the relevant outcome is able to be identified this should be taken into consideration.
- The indicator has been assessed as being conceptually inadequate (subsequent to undertaking the process outlined in Part 2) and underlying issues are unable to be addressed by modifying the indicator.
- The indicator does not relate to any outcomes in the agreement.

Guiding principles for *changes to existing indicators*:

- The indicator has been assessed as conceptually inadequate (against the framework outlined in Part 2) but a change to the indicator is likely to address concerns.
- Changes to an indicator have been recommended by the COAG Reform Council (and the indicator has not already been removed through the above rationalisation process)
- The benefits to performance reporting of a change of indicator are found to be greater than the associated costs in collating the indicator.
- A change to the indicator would improve the meaningfulness and value of the indicator to public accountability.
- The indicator can be changed to better articulate or support the indicator set of the NA, where the former supports the outcomes of the latter.

Guiding principles for where the *inclusion of new indicators* may be appropriate. Noting that there should not be additions to the overall numbers of indicators unless:

- There is not currently an indicator to assess performance against an outcome.
- A suitable indicator for which quality data are available has been identified.
- The indicator has been found to comply with the design principles of the IGA.

### **Guiding principles for the review of existing performance indicators**

- The costs of data collation and reporting have been calculated and found to be reasonable, compared to the benefit of supporting public accountability.

An additional consideration that could apply in all cases would be to limit the total number of indicators in agreements, aimed at addressing the reporting burden under agreements.



## **GLOSSARY**

### ***National Agreement***

An agreement defining the objectives, outcomes, outputs and performance indicators, and clarifying the roles and responsibilities, that will guide the Commonwealth and the States and Territories in the delivery of services across a particular sector.

### ***National Partnership Agreement***

An agreement defining the objectives, outputs and performance benchmarks related to the delivery of specified projects, to facilitate reforms or to reward those jurisdictions that deliver on national reforms or achieve service delivery improvements.

- Reform-based NPs: national priority reforms and improvements in service delivery (see IGA FFR E19(b) and (c)) [For example : Early Childhood Education National Partnership]; and
- Project-based NPs: specified projects that support national objectives (e.g. infrastructure or time limited projects to deliver a specific new or improved service; see IGA FFR E19(a)) [For example : Social Housing National Partnership]. Type and number of indicators under Project NPs subject to strict assessment of appropriateness and proportionality.

### ***Objectives***

Describe the mutually-agreed, overarching aspirations.

### ***Outcomes***

Describe the impact a government activity is expected to have on community wellbeing. Outcomes should be strategic, high level and observable goals expressed in clear, measurable and achievable terms.

### ***Outputs***

Describe the services being delivered by governments to achieve outcomes. Alternatively they may be used as a proxy for outcomes where outcomes are not readily observable. Outputs can also help to define roles and responsibilities. Outputs should be high level, as detailed outputs run the risk of constraining States' responses to changing demand, cost drivers, priorities and service delivery models.

### ***Performance Benchmarks***

A quantifiable change in a performance indicator, usually expressed in respect of a period of time – for example, an X per cent increase in X by 20XX. Where necessary to inform the community, performance benchmarks should be few in number, high-level and reflect the highest order, most challenging goals toward attainment of outcomes.

### ***Purpose***

The purpose of performance benchmarks is to articulate the objective(s) of the agreement in a measurable manner and to set out a timeframe for their achievement. Ideally they should also have a trajectory to provide the indicative rate of progress necessary to achieve this timeframe.

### ***Additional information***

Performance benchmarks are distinguishable from performance indicators as they articulate the desired level of achievement and when this should be achieved by.

Baseline and endpoint years should be selected with reference to data availability and timelines relating the implementation of policies.

Performance benchmarks can be tailored to individual jurisdictions to ensure they take into account characteristics and conditions. However, it is critical that they are defined and measured in a uniform manner to preserve the integrity of the performance benchmark.

There are numerous ways to present performance benchmarks. To ensure the agreement is transparent it is critical that the measure description, numerical goal and timeframe are all publicly available.

Trajectories should only be developed where they are supported by data is of a sufficient quality. They should be subject to review where new information becomes available impacting on underlying assumptions.

### *Performance indicators*

Data to inform the community about how governments are progressing towards the achievement the objectives, outcomes and outputs.

#### *Purpose*

Performance indicators are a point in time measure which demonstrates how performance under the agreement is tracking. Over successive measures the indicators should demonstrate progress towards achieving the objective of the agreement.

#### *Additional information*

Performance indicators should be separate from performance benchmarks, however they can be related.

Performance indicators should demonstrate achievement preferably in terms of outcomes, not outputs.