

Corporate Plan 2023–24

CELEBRATING
90
YEARS



Australian Government

Commonwealth Grants Commission

Secretary's introduction

The Commonwealth Grants Commission's purpose is to provide independent advice to the Government on the distribution of GST revenue among the states and territories (states).

In 2023–24, we will provide advice on GST distribution for the 2024–25 financial year. A key focus will also be progressing the 2025 Methodology Review – a review of the analytical and statistical methods the Commission uses to assess state fiscal capacities. The objective of the review is for stakeholders to be confident that the Commission's overall approach to measuring state fiscal capacities is sound, and that all assessment methods are appropriate and draw on fit for purpose data. The review, required under the terms of reference issued by the Commonwealth Treasurer, will involve extensive consultation with the states and territories. A draft report on the review will be released in mid-2024, with the final report provided to the Government by February 2025.

Our key priorities over the next year also include:

- putting into operation the redeveloped ICT platform for analysing state fiscal data
- increasing our investment in staff through a refreshed capability and development plan
- continuing to foster a productive relationship with state treasuries, including through the provision of training, ongoing dialogue and consultation, and seeking and responding to feedback
- playing our part in advancing reconciliation, including through initiatives identified in our Reflect Reconciliation Action Plan

I present the Commonwealth Grants Commission's 2023–24 Corporate Plan, covering the period 2023–24 to 2026–27, in accordance with subsection 35(1) of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*. As required, this plan provides an overview of our operating environment and capabilities, and how we will measure performance.

I look forward to reporting on our performance in the Commonwealth Grants Commission's 2022–23 Annual Report.



A handwritten signature in black ink, appearing to read 'J. Rollings'.

Jonathan Rollings
Secretary / Accountable authority
31 August 2023

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Our Purpose

To provide independent advice to the Australian Government on the distribution of GST revenue among the states and territories

Our key activities



DELIVER THE 2024 UPDATE OF GST RELATIVITIES

DELIVER THE 2025 METHODOLOGY REVIEW

Our foundations for success



ENGAGE

Pursue opportunities to improve our communication and engagement with the Commonwealth Treasury, state treasuries and other stakeholders.



INFORM

Identify and develop ways to enhance the community's understanding of Australia's GST distribution framework and explain the Commission's work.



CAPABILITY

Focus on attracting and developing workforce capability to support growth and flexibility for the future.



ICT INFRASTRUCTURE & SYSTEMS

Develop and implement solutions, designed, built and future-proofed to meet operational and strategic needs.



DIVERSITY & INCLUSION

Leverage the attributes, skills and experiences of our employees to enhance the workplace.



INNOVATION

Strive to identify areas for innovation and continuous improvement.

Our success measures



Responsiveness to Government



Excellence in research & analysis



Effective engagement & consultation with stakeholders

Our values



Striving for excellence in everything we do

Being consultative

Fostering the health, safety and wellbeing of our people

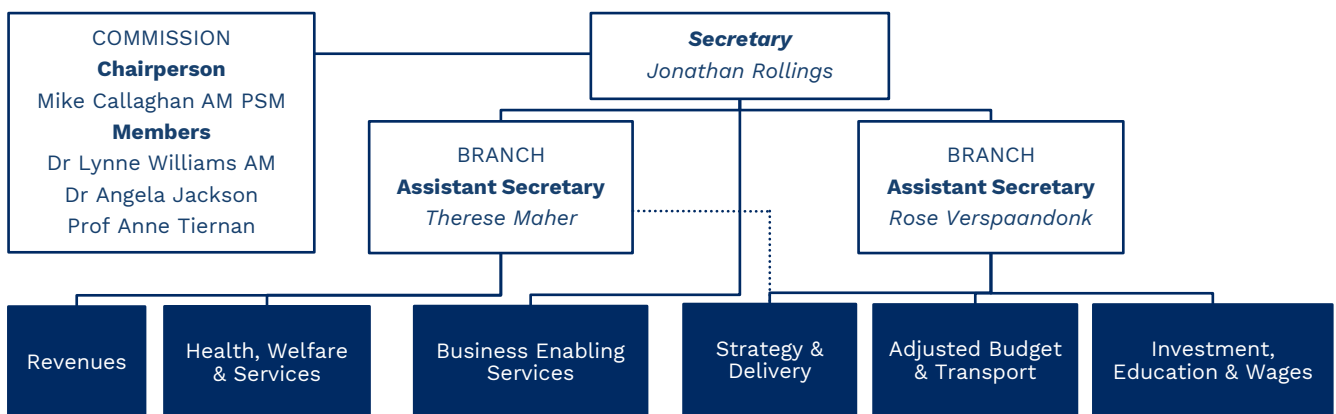
Exercising stewardship

Who we are

The Commonwealth Grants Commission (CGC) is a statutory authority operating under the *Commonwealth Grants Commission Act 1973*. The Commission, comprising a part-time Chairperson and usually 3 part-time members, is responsible for providing independent advice to the Government on the distribution of GST revenue to the states and territories. The Commission Chairperson and members are appointed by the Governor-General.

The CGC Secretary and CGC agency staff support the Commission in its responsibilities. The Secretary of the CGC is the accountable authority for the purposes of the *PGPA Act*, with responsibility for governing the general operation of the CGC agency.

Our structure



Operating context

Environment

Legislation governing Australia's GST distribution arrangements sets the framework for the Commission's work.

In February this year, the Treasurer gave the Commission terms of reference to review its analytical and statistical methods used to assess state fiscal capacities and to provide a report in February 2025 (2025 Methodology Review). In close consultation with states, the Commission is examining its approach to ensure it remains fit for purpose, and that methods, data sources and calculations reflect states' circumstances. For the Commission to fulfil its role, it is essential that all stakeholders, particularly the states, have confidence in the Commission's independence, the appropriateness of its assessment methods, and the effectiveness of its consultation arrangements.

Hybrid working arrangements are well established, and our Information, Communications and Technology (ICT) supports remote-working and effective consultation and engagement.

We operate in a competitive market for relevant expertise. We offer staff challenging and interesting work that is central to Australia's federal financial arrangements. Our relatively predictable workflows support a healthy work-life balance.

Capability

Our people

The CGC will continue to focus on attracting and retaining a highly skilled, diverse and motivated workforce, including staff with expertise in data and statistical analysis. The expertise and professionalism of our people enables us to produce high-quality work and maintain strong stakeholder relationships.

A high performing, inclusive and respectful culture is critical to achieving the CGC's objectives and work outputs. The CGC's ability to deliver is supported by an engaged, innovative, agile and future-ready workforce.

During 2022–23 we increased staffing levels to support the demands of the 2025 Methodology Review. In 2023–24, we will continue to invest in our people capability, including through the development of a refreshed capability and development plan. We will continue to engage with the APS Data Profession, having gained 3 graduates through this stream since it commenced. We also leverage the knowledge and experience of former Commission staff using flexible arrangements under our alumni program.

We have refreshed our processes for ensuring managers and their staff routinely discuss professional development opportunities. We will continue to provide flexible and timely training resources, including through our e-learning management system.

Our systems

To keep pace with technological advances, and to support ongoing improvement in our work, we have redeveloped our core ICT system for analysing state fiscal data and are now moving to the implementation phase of this project.

Communication and engagement

We aim to effectively communicate with the Commonwealth Treasurer, state treasurers, treasury officials, policy experts, the media, and the Australian public.

We will continue to progress our efforts to explain the CGC's work and inform policy discussions. We will keep exploring ways to make our published material more accessible and to improve our website to better meet the needs of those interested in learning about Australia's GST distribution arrangements.

We have a strong foundation of close, consultative relationships with state treasuries and the Commonwealth Treasury and will build upon these through state visits during the 2025 Methodology Review. The Commission is committed to being transparent in its decisions, providing access to assessment calculations and other supporting information, providing training to state officials, and being available for discussions with states as required.

Risk oversight and management

Effectively engaging with and managing risk is central to delivering on the CGC's purpose. Our approach to managing risk is to embed risk management, controls and mitigations into every aspect of our business planning, reporting, decision making and operations.

Our risk management policy and framework support the CGC to meet its obligations under section 16 of the *PGPA Act 2013* and is aligned with the new *Commonwealth Risk Management Policy 2023*.

Delivering the CGC's priorities requires us to proactively assess and manage risks, including embedding a positive risk culture within our organisation. We have refreshed our risk management framework and risk appetite statement and identified those things that could prevent us from meeting our identified enterprise objectives.

Risk appetite and tolerance

In 2023–24, we will continue to regularly review, monitor and manage our key risks, related controls and tolerances and we will update our risk management framework as needed.

We recognise that it is not possible or desirable to eliminate all risk and that, through accepting some degree of risk, we can optimise opportunities, promote efficiencies, and support innovation. The CGC is willing to accept higher levels of risk when the opportunities outweigh the consequences.

While the Secretary is charged with implementing effective risk oversight within the CGC, we are all responsible for appropriately engaging with and managing risk. Our Risk Appetite Statement helps us understand what constitutes acceptable risk taking in both our day-to-day work and in achieving our strategic priorities. Our Audit and Risk Committee provides independent assurance to the Secretary on the CGC's risk framework and processes.



RISK IN OUR WORK

Risk related to providing independent advice to the Australian Government on the distribution of GST revenue among the states and territories.

RISK TO OUR PEOPLE AND CAPABILITIES

Risk related to staff capability and engagement, core enabling capabilities, business systems, and information and digital services.

RISKS TO OUR SECURITY, INTEGRITY AND GOOD GOVERNANCE

Physical, information and personnel security risk, legal and administrative compliance, financial management, fraud, and workplace safety.

Our approach to performance

The 2023–24 Corporate Plan is the CGC’s primary planning document.

The CGC’s key outcome is ‘informed Government decisions on the distribution of the GST among the states and territories’. The Commission provides the Government with an annual update of recommended GST sharing relativities and periodically reviews the methods it uses to assess state fiscal capacities. We assess our effectiveness against our key outcome using the performance measures and planned performance results tabled below.

PERFORMANCE MEASURES	PLANNED PERFORMANCE RESULTS
Responsiveness to Government	The Commission’s advice meets the Government’s requirements as specified in the terms of reference provided by the Commonwealth Treasurer.
Excellence in research and analysis	The research and analysis underlying the Commission’s advice are recognised to be high quality and technically robust.
Effective engagement and consultation with stakeholders	The Commission’s advice is informed by contemporary and fit for purpose data and considers the views of relevant stakeholders.

To help measure our performance, we routinely seek feedback from the states on the quality of our analysis and the effectiveness of our processes for engagement and obtaining information. Our process for obtaining state feedback has been enhanced to include a survey that is both qualitative and quantitative in nature. The survey provides important information for assessing our performance and ensuring our analytical work, processes, published material and levels of engagement continue to meet the needs of our stakeholders.

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