# Corporate Plan 2025–26



# About this report

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#### **FURTHER INFORMATION**

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Further information about the Commonwealth Grants Commission is available at cgc.gov.au.

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# Secretary's introduction

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

In 2025-26, the CGC will provide advice to the Commonwealth Treasurer on the GST distribution for 2026-27.

The 2025 Methodology Review committed to a forward work program to undertake research and analysis on a selection of complex issues in preparation for the next methodology review. Progressing the forward work program, and engaging with the states, will be a priority over the next 2-3 years.

Other key priorities for the CGC over the next year will include:

- continuing to pursue opportunities to support the work of state treasuries including through ongoing dialogue and consultation, providing training and responding to feedback
- · supporting community understanding and public debate of the Commission's work and the GST distribution arrangements, including through our series of occasional and research papers
- assisting the Productivity Commission with its inquiry into Australia's GST distribution arrangements, and playing our part in advancing reconciliation by actioning our soon-to-be refreshed Reconciliation Action Plan.

I present the Commonwealth Grants Commission's Corporate Plan 2025–26, covering the period 2025-26 to 2028-29, as required under subsection 35(1)(b) of the Public Governance, Performance and Accountability Act 2013 (PGPA Act). As required, this plan has been prepared in accordance with section 16E of the Public Governance, Performance and Accountability Rule 2014.

We will report on our performance in the CGC's annual report.

Nathan Williamson

Secretary / Accountable authority

26 August 2025

# 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 RECOMMENDED

GST RELATIVITIES FOR 2026–27

PROGRESS OUR FORWARD WORK PROGRAM

## Our foundations for success





#### **ENGAGE**

Support the work of state treasuries and other stakeholders through dialogue, consultation, training and responding to feedback



### **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

Designed, built and supported 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



We strive for excellence in everything we do

We engage and consult broadly to inform, learn and understand We develop our knowledge and capability to build a stronger CGC

We foster the health, safety and wellbeing of our people

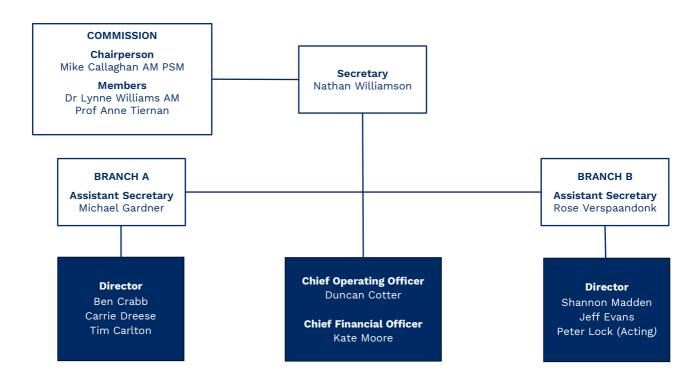
## Who we are

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 not less than 2 other part-time members, is responsible for providing independent advice to the Australian Government on the distribution of GST revenue to the states and territories. The 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

As at 26 August 2025



# Operating context

## Environment

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

Following the conclusion of the 2025 Methodology Review, our focus has shifted to the published forward work program. This will involve research and analysis of several complex issues in preparation for the next methodology review. States will have the opportunity to provide input to the forward work program and external experts will be engaged where appropriate. Progressing the forward work program, alongside the annual updates of GST relativities, will be a priority over the next 2-3 years.

We continue to pursue opportunities to support the work of state treasuries including through ongoing dialogue and consultation, providing training and responding to feedback.

In 2025–26, we will assist the Productivity Commission as it conducts its inquiry into Australia's GST distribution arrangements, which is expected to be delivered by the end of 2026.

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. Predictable workflows and access to flexible working arrangements support a healthy work-life balance.

## Capability

### Our people

The CGC continues to focus on attracting, developing and retaining a highly skilled, diverse and motivated workforce, including staff with expertise in data and statistical analysis. We will continue to engage with the APS Data Profession, having gained 5 graduates through this stream since it commenced. The expertise and professionalism of our people enables us to produce high-quality work and maintain strong stakeholder relationships.

The CGC Enterprise Agreement 2024-27 details employment conditions for staff until 2027. The agreement provides remuneration increases and supports greater flexibility in staff movement through classification broadbanding.

A high performing, inclusive and respectful culture is critical to achieving the CGC's objectives. Our efforts in fostering this culture are reflected in the 2025 APS Employee Census results, which have again been positive. We strive to continuously improve, including through the initiatives in our Census Action Plan.

#### Our systems

We have transferred provision of our ICT services to the Commonwealth Treasury and will continue to collaborate on ways to improve our ICT services and systems. The transition provides us with a broader and more sustainable range of technical services, support, infrastructure, and security.

## Strategic Commissioning Framework

The CGC operates in line with the Strategic Commissioning Framework. In most cases, core work is performed in-house, while any outsourcing of core work is minimal and aligns with the limited circumstances permitted under the framework.

## Communication and engagement

The CGC has a strong foundation of close, consultative relationships with state treasuries and the Commonwealth Treasury. We are committed to being transparent in our decisions, providing access to assessment calculations and other supporting information, providing training for state officials, and being available for discussions with states as required.

Given the work of the CGC affects all Australians, we seek to communicate effectively across all audiences. We aim to continually strengthen our relationships and engagement with state treasurers and treasuries as well as the Commonwealth Treasurer, the Commonwealth Treasury and other key stakeholders, including policy experts, the media, and the Australian public. We prioritise ongoing dialogue and consultation, the provision of training and responding to feedback.

We will continue to progress our efforts to inform public understanding of the CGC's work through our series of occasional and research papers. We are committed to making our published material easier to understand and to enhancing our website to better meet the needs of those interested in learning about the Commission and Australia's GST distribution arrangements.

We will also continue to consult closely with states and other data providers on data management to ensure that our practices are open and transparent, and align with the <u>Data Availability and Transparency Act 2022</u> and the <u>Intergovernmental Agreement on data sharing between Commonwealth and State and Territory governments</u>.

# Risk oversight and management

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

Our risk management policy and framework support our obligations under section 16 of the PGPA Act, to align with the latest Commonwealth Risk Management Policy 2023.

## Risk appetite and tolerance

We will continue to review, monitor and manage our key risks, related controls, and tolerances. In 2025–26, we will undertake a review of our risk management framework as we continue to mature our approach to risk management.

We recognise that it is not possible or desirable to eliminate all risk. Through accepting some degree of risk, we can optimise opportunities, promote efficiencies, and support innovation.

While the Secretary is charged with implementing effective risk oversight within the CGC, all staff are responsible for engaging with, and managing, risk. Our Risk Appetite Statement helps us understand what constitutes acceptable risk tolerances 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.

# Our approach to performance

The Corporate Plan 2025-26 is the CGC's primary planning document.

The CGC's key outcome is 'informed Government decisions on fiscal equalisation between the states and territories through advice and recommendations on the distribution of GST revenue'. We provide the Australian Government with an annual update of the recommended GST distribution and periodically undertake methodology reviews to review the methods we use to assess state fiscal capacities. We assess our effectiveness against our key outcome using the performance measures and planned performance results outlined below.

PERFORMANCE MEASURES	PLANNED PERFORMANCE RESULTS
Responsiveness to Government	The Commission's advice meets the Australian 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 the best available information and 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. This includes an annual survey, both qualitative and quantitative in nature, following the release of each annual update of the recommended GST distribution. 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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