

**ANNUAL PERFORMANCE REPORT**

**STATEMENT BY THE COMPTROLLER AND AUDITOR GENERAL**

**28 MARCH 2011**

## **Introduction**

1. Some weeks ago, it was announced that responsibility for the production of the States' Annual Performance Report was to be transferred to my Office. The purpose of this Statement is to set out why I have agreed to this transfer and how I propose to approach the work.

## **Assessing public services**

2. It may not always be easy to measure the cost of a service, but there is at least a recognised approach to doing it. The outcome takes the form of annual audited accounts and other financial reports. It is a different matter to measure the value and effect of a service: especially in the public sector where, for many services, there is no competition.
3. Yet the outcome of a service and the extent to which it achieves policy objectives are key issues which go to the effectiveness of the public sector in developing and implementing policy. In the absence of information about the value and outcome of services, attention may become unduly focussed on the cost of services rather than on their value.
4. Auditors General (and their equivalents) in many jurisdictions respond to this difficulty by encouraging the development and publication of data about the outcome and value of services.

## **Annual Performance Report**

5. The States' Annual Performance Report is the States' contribution to better understanding in this area.
6. It provides two types of information:
  - (1) an annual assessment of the extent to which the objectives in the current Strategic Plan have been achieved.
  - (2) the performance of the States' services using a number of detailed indicators or measures.

7. Although the information is largely numerical, some of the Strategic Plan objectives are qualitative and in these areas the information given in the Annual Performance Report is also more qualitative and thus also more subjective.

### **Approach**

8. In preparing the Annual Performance Report for 2010, I propose to take advantage of the opportunity to reconsider the performance indicators that are reported in these reports to achieve the following objectives:

- (1) the indicators should, as far as possible, be subject to objective measurement, thus avoiding subjective assessments;
- (2) the indicators should be relevant to current policy objectives (including the objectives in the current Strategic Plan);
- (3) the indicators should be sustainable so that publication in a series of annual reports will demonstrate trends; and
- (4) as far as possible, the indicators should relate to the outcomes of policy rather than just to the process of policy implementation.

9. The outcome of this review will be a proposed list of indicators which I will publish in the form of a discussion paper as a basis for public comment on the form which the report should take.

10. I intend that this discussion paper should identify those indicators, if any, which it is proposed should not be included in the 2010 and subsequent reports and any elements of the current Strategic Plan which may not be covered by the indicators to be published.

### **Publication**

11. One purpose of publishing a document such as the Annual Performance Report is to support better public understanding of the outcome and effect of public services. Yet the current form of the publication, consisting largely of numbers and with some graphs, is likely to be inaccessible to the large numbers of people.

12. Thus I also intend that the forthcoming discussion paper will also explore means by which the information in the reports can be presented to a wider audience.

C Swinson  
Comptroller and Auditor General  
Morier House, Halkett Place, St Helier.  
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