

Factsheet for Stream 4: Target setting phase 2 review Technical Working Group

This document outlines the scope of the technical working group tasked with determining phase 2 of the target setting requirements within the LGPRF.

Background

Established in 2014, the primary objective of the LGPRF is to provide comprehensive performance information that meets the needs of several audiences.

The Minister for Local Government approved a target setting component within the LGPRF for the 2023-24 reporting period onwards. In October 2022, the Local Government (Planning and Reporting) Regulations were amended to include a requirement for target setting against measures within the Budget and for reporting targets against results in the Council's Performance Statement (Annual Report). Targets are required against four selected service and four financial performance measures.

Contextually, the annual budget is fundamentally a target setting process, i.e., a public statement of a council's intentions. Expanding on this, target setting against standardised performance measures (as per the LGPRF) allows the public and stakeholders to view the council's intentions through the Council's Budget and assess how council has performed against its intentions via the Council's Annual Report.

While supporting the introduction of targets, the Victorian Auditor General's Office has also advocated for the continual expansion of target setting across the LGPRF measures.

In November 2023, the LGPR Steering Committee endorsed a review of target setting measures within the framework with the focus on seeking expansions, improvements and enhancements.

Any recommended changes to the framework will take effect no sooner than January 1, 2026 for the 2026-27 financial year

Scope

Key tasks and discussion

The LGPR Steering Committee is seeking advice and recommendations from councils and peak bodies on the following key points:

- Determining the optimal number of measures to set targets against in the expanded target-setting process,
- Identifying the specific measures that should be included for target setting.

Finalisation

Upon completing the exercise, the technical working group is required to reach a consensus on any suggested changes, which will subsequently be presented to the Steering Committee for deliberation and decision.

The Steering Committee will then approve any amendments to the regulations and forward these endorsements to the Minister for Local Government, who holds the ultimate authority to decide on any regulatory modifications.

Participation

Eligibility Requirements

For councils

To qualify for participation, you must hold a senior manager to executive-level position within the organisation. As the council representative, you will be tasked with speaking on behalf of the organisation within the working group and managing internal discussions as necessary.

A thorough understanding of the current reporting requirements is crucial.

Additionally, you will be required to leverage your existing internal network, particularly across service areas and the finance team in your council. Your responsibilities include coordinating with subject matter experts within your organisation and articulating their perspectives to the working group.

Council may only nominate one participant per council.

For peak bodies

To be eligible to participate, you must have the support of your Local Government Performance Reporting Steering Committee representative.

The peak body may only nominate one participant per peak body.

Commitment

Workshops

Workshops will be scheduled to occur between July to September 2024. Participants should be available for a maximum total of 6 – 8 hours for workshops during this period.

Workshops will be a combination of online and in-person sessions, depending on participant numbers and locations.

Additional work

In addition to attendance at workshops, you may be asked to review discussion papers and conduct internal discussions with subject matter experts to gain a broader understanding of the impacts of any proposed changes.

Registration

To register for Stream 4, please complete the LGPRF 2024 [Technical Working Group Registration form](#) and select Stream 4.