

Paper 2A: (WORK IN PROGRESS) Examples of statements of service performance

Staff note to Board: This paper provides extracts from a variety of statements of service performance that have been published in practice. Its purpose is to provide a 'picture' of the descriptions of practices provided in paper 2 *Report on staff research into domestic and international requirements and practices relating to service performance reporting*. It is structured broadly in line with paper 2. Like paper 2, paper 2A is a work in progress.

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SECTION 1.A
NEW ZEALAND: UNIVERSITY OF CANTERBURY
STATEMENT OF SERVICE PERFORMANCE 30 JUNE 2009 QUARTER 2

Statement of Service Performance End-of Second Quarter Report

As at 30 June, 2009

**Prepared by Dr Bob Hall
Director of Planning, Information and Reporting**

Note: This document should be read in conjunction with Profile 2008-2010. Staff with operational responsibility for strategic targets in the Profile were asked to provide an end-of-quarter report on progress to date in 2009. A composite summary report covering all strategic targets was then put together from these progress reports. This process of preparing a quarterly “statement of service performance” report will be repeated throughout the year. Updates on Key Performance Indicators from the Profile will be provided at the end of Quarters Two, Three and Four.

REPORT SUMMARY

First Half Year Achievements

1. The launch of the New Zealand ICT Innovation Institute (NZi3) on April 24
2. Completion of a series of strategic planning workshops led by the Vice-Chancellor and development of a draft statement of strategic intent to guide further discussions
3. Securing \$1.4 million in TEC Priorities for Focus funding for 10 projects (2009-2010)
4. Completing initial preparations for the 2010 Academic Audit by the New Zealand Academic Audit Unit (NZVCC)
5. Development of an internationalisation strategy for the University
6. Appointment of the University's first Professor of Māori Research
7. Introduction of a new professional development programme "Te Reo, Tikanga me Te Tiriti - Māori Language, Customs and the Treaty of Waitangi"
8. On track to meet TAMU key financial indicators
9. Implementation of formal processes for prioritising capital requests
10. In conjunction with the Tertiary Education Commission, implementing a Summer Scholarship scheme to support up to 200 students

Key Risks

Mitigations

1. Shortfall in research, consulting and interest revenues	Off set by savings
2. Public response to the proposal to develop the National Conservatorium of Music at the Arts Centre	Public meetings and consultation
3. Staff responses to the strategic planning process	Staff forums and communication
4. Staff response to the identification and management of research inactive staff	Mitigation through closure
5. Response to the tightening of progression standards for students	Consultation with Academic Board

Key Strategic Area 1

RESEARCH AND CREATIVE WORK

To consolidate and maintain the University's status as a top research-led university¹

1.1: RESEARCH QUALITY

Enhance the quality and impact of University research outputs

Planned activities to achieve this target include implementing the University's PBRF strategy; and implementing strategies to value, reward and celebrate research excellence within Colleges and the University.

The University's PBRF 2012 project team is now in place. This includes PBRF Advisors based in each College. Advisors are meeting with academic staff to inform them of PBRF guidelines and also to ensure that research outputs are maximally recorded for PBRF assessment. Meetings are also being held with College Managers and School administrative staff to keep them abreast of PBRF developments and strategies. The College of Education PBRF evaluation is proceeding according to plan. Five of the six Schools have been evaluated.

Within the College of Education research excellence is celebrated at a monthly morning tea. The PVC acknowledges publications, invitations to deliver keynotes, visiting scholars, PhD completions etc.

Prominence is given to researchers and their achievements on the College of Arts' website. The College's regular newsletter also includes highlights of research achievements, publications and events and is also used to disseminate research opportunities.

The College of Business and Economics has reviewed its policies and introduced a new system to reward publications in A* and A rated journals.

College of Science staff are encouraged to nominate for national and international awards and prizes such as Hope, MacDiarmid and Royal Society of New Zealand awards.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Actual as at June 30	2009 End of year forecast as at June 30	2009 Planned as per revised Profile
Quality assured research publications	2,458	3,009	Available mid-2010 ²	3,200	2,600
Doctoral thesis completions ³	99	129	46	130	135
Masters thesis completions ⁴	207	187	92	185	175

1.2: RESEARCH ACTIVITY

Increase research activity throughout the University

Planned activities to achieve this target include implementing strategies to increase research activity within Colleges; increasing the amount and value of external research grants; continuing to build strong relationships with funding agencies and the private sector; reviewing participation, retention and thesis completion trends for postgraduate students; and implementing strategies to increase these rates.

Within the College of Education a PVC Fund has been established to support research and scholarly activities. The funds are distributed annually to recognise research excellence. A College Conference committee receives applications and awards funding to academic staff to attend conferences that result in quality assured outputs. The College has recently completed a review of initial teacher education programmes with a view to gaining efficiencies and freeing up more staff time for research. An editor has been made available within the College to provide assistance with scholarly publications and funding has been provided to support academic staff to upgrade their qualifications.

Within the College of Arts the PVC and departmental heads emphasise the importance of research activity especially in the context of the Professional Development and Review (PD&R) process. The College is planning to make increased use of Summer Scholarship opportunities to

¹ Strategic targets in this section mirror key aspects of the University's Research Plan.

² The University's Research and Innovation office does not collate research publication information until the middle of the following year. This is done in conjunction with producing the annual Research Report.

³ In this context, 'completion' means that all academic requirements have been completed in the year concerned, even though the candidate may not yet have graduated.

⁴ Masters thesis completions exclude dissertations.

encourage young researchers. The College budget for the internal research grants round has been maintained at \$200,000 for 2009.

The College of Business and Economics has carried out an audit of research productivity for the past three years and is actively managing staff identified as “at-risk” of being classified research-inactive in the 2012 PBRF evaluation.

The College of Engineering is currently recruiting a number of new academic staff. The selection criteria include past research activity and plans for subsequent activity. Departments offer new staff seed funding to encourage the development of research programmes. New staff members are also generally attached to a research group to provide support and mentoring in their area of specialty. Six applicants from the College who have progressed to the second Marsden funding round have been awarded \$5,000 each to develop their proposals.

Relevant initiatives within the College of Science include the establishment of a cross college network of early to mid career researchers; the award of early career research grants for 2009 (15 totalling \$170k); the establishment of additional College PhD scholarships; and reestablishment of the College of Science research committee

In order to increase the amount and value of external research grants the Research and Innovation team are working to provide enhanced services to all staff in relation to Marsden and FRST grant rounds. Renewed emphasis is also being placed on commercialisation opportunities.

The launch of NZi3 has provided a showcase facility to celebrate the University’s commercial relationships in the ICT and engineering fields. NZi3 staff continue to develop new relationships in this area. The Deputy Vice-Chancellor has continued to meet regularly with staff from MoRST, FRST and the Royal Society.

The Dean of Postgraduate Studies has been provided with detailed statistics on postgraduate enrolments and discussed these with the Postgraduate Committee in April. The figures are currently being analysed with a view to ensuring that such reports become a regular feature of postgraduate planning. At that April meeting the Postgraduate Committee discussed barriers to postgraduate growth and explored strategies for overcoming these. English proficiency requirements for international postgraduate students have recently been reviewed in light of the fact that the University currently has the highest requirements of all of the New Zealand universities. Given the University’s commitment to maintaining standards of academic quality, the decision has been taken to leave the language proficiency requirements as they are.

In the first half of the year the Dean ran a number of training sessions for Postgraduate thesis supervisors in conjunction with UCTL. Topics covered included: different paradigms of supervision; mentoring of supervisors; supervising international students; and international trends in postgraduate education. The sessions were well received. A Deputy Dean of Postgraduate Studies has been appointed to provide back-up for the Dean. In conjunction with the Tertiary Education Commission a Summer Scholarship scheme has been implemented to support up to 200 students. A Memorandum of Understanding on postgraduate studies has recently been signed with the University of Tasmania.

It is expected that the end-of-year targets for total contract value of external research grants awarded and proportion of postgraduate research students will be met.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Actual as at June 30	2009 End of year forecast as at June 30	2009 Planned as per revised Profile
Total contract value of external research grants awarded	\$36.5m	\$37.6m	\$8.8m	\$35m	\$35m
Postgraduate research EFTStudents as a percentage of total enrolments	5.7%	5.7%	5.8%	5.96%	6.0%

1.3: RESEARCH COLLABORATIONS

Pursue national and international research collaborations with other leading tertiary institutions and research organisations⁵

Planned activities to achieve this target include encouraging and supporting research collaborations with national tertiary institutions and research organisations as well as leading universities and research institutions worldwide; and continuing to ensure that the Erskine Programme is used effectively to develop and maintain links with leading researchers at other universities.

The Deputy Vice-Chancellor continues to lead discussions with Otago and Lincoln Universities on preparing joint bids to TEC for funds such as Encouraging and Supporting Innovation (ESI) and Priorities for Focus (PFF). These efforts have met with some success. He is also working closely with all University Colleges to ensure the best use is made of the KAREN network and to generate support for the proposed High Performance Computing investment.

The College of Education has research collaborations in place with a range of national tertiary institutions and research organisations such as the University of Auckland, Waikato University, Massey University, the Ministry of Education, the Tertiary Education Commission and the Ministry of Health. Social scientists from within the College of Arts continue to collaborate with colleagues in other universities via the BRCSS (Building Research Capability in the Social Sciences) network. New Zealand Schools of Social Work are engaged in exploring options for collaboration on national research projects and bids for funds. Aotahi: School of Māori and Indigenous Studies and the Macmillan Brown Centre for Pacific Studies have both been involved with other regional and national colleagues in successful bids for Priorities for Focus (PFF) funds. The School of Languages is also involved in a PFF collaboration with Victoria University of Wellington.

The College of Engineering offers 25 grants totaling \$121,000 to its staff to assist with the development of research collaboration nationally and internationally. The opening of NZi3 has generated significant interest in collaboration opportunities with projects being developed with Jade, Tait Electronics and Intel at present.

The College of Science is working on the development of formal links with EQC and GNS Science, now acts as host for the COMNAP secretariat (Council of Managers of National Antarctic Programs), has developed formal linkages with two overseas universities and discussions relating to a further linkage are in progress.

The College of Business and Economics ran a series of Marsden grant workshops in the first half of the year which actively promoted joint projects with investigators at other New Zealand tertiary institutions.

In May the Deputy Vice-Chancellor led a University delegation to Canada (University of Waterloo) and the USA. In the United States he had meetings with senior staff and officials from the University of Washington. The DVC continues to support the partnerships with the University of Adelaide including preparations for the visit of its Vice-Chancellor and senior staff in July. The College of Education has international research collaborations with Kansas University, Oxford University and Cambridge University among others. International research connections are encouraged within the College of Arts by means of internal research grants.

The Pro-Vice-Chancellor (International) has been leading a review of the University's internationalisation strategy. In July the University adopted a new strategy which focuses on building deep, long-term research partnerships with a small network of peer universities worldwide.

The Deputy Vice-Chancellor meets with all Erskine visitors and co-hosts a welcome function with the Vice-Chancellor and Staff. All Erskine visitors are now added to the University's alumni database and have been asked to assist with the peer review panel exercise that informs the THE-QS world university ranking survey.

⁵ Figures quoted in this section are GST inclusive.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Actual as at June 30	2009 End of year forecast as at June 30	2009 Planned as per revised Profile
Number and value of NZ industry research contracts	14 \$0.66m	21 \$2.48m	3 \$3.06m	8 \$3.5m	13 \$1.5m
Number and total contract value of research grants with other NZ tertiary institutions	25 \$11.14m ⁶	24 \$2.00m	7 \$0.30m	17 \$1.5m	17 \$1.5m
Number and total contract value of research grants with other NZ research institutions (CRIs)	6 \$0.67m	21 \$2.34m	5 \$0.60m	18 \$1.9m	18 \$1.9m
Number and total contract value of research grants with overseas organisations	23 \$1.51m	16 \$0.82m	8 \$0.63m	13 \$1.0m	13 \$1.0m

1.4: RESEARCH CAPABILITY

Enhance research capability and productivity through investment in current and future researchers

Planned activities to achieve this target include implementing strategies to enhance research capability and productivity within Colleges; and continuing to give emphasis to upgrading scholarship and other support for postgraduate research students.

The Vice-Chancellor has initiated discussions to ensure that all staff are made aware of any shortcomings in their research/creative work productivity through the Professional Development and Review (PD&R) process. In the College of Education, all academic staff complete annual research plans that are reviewed regularly as part of the PD&R process. Within the College of Engineering, Heads have objectives relating to completion of PD&R in their performance agreements and have at-risk payments associated with the achievement of the KPIs. A key part of Professional Development and Review meetings within the College of Business and Economics is ensuring that research and teaching are given equal weight. In the first half of the year the Department of Management introduced a new workload model which is designed to recognise higher degree supervision within the teaching workload allocation.

The University's Postgraduate Scholarship policy was reviewed in the first half of the year and refinements made to postgraduate scholarship administrative processes. It was confirmed by SMT that UC scholarships will continue to be centrally administered but the number of reserved scholarships made available to students from Colleges otherwise under-represented in scholarship awards were increased. This benefitted the College of Education and the College of Business and Economics. Eight new fees scholarships for postgraduate courses in High Performance Computing were created and made available. In line with service provision at other New Zealand universities it has been decided to provide greatly increased internet facilities to postgraduate thesis students at effectively no charge.

End-of-year targets set in relation to research scholarships and internal research grants are likely to be exceeded.

Key Performance Indicators	2007 Actual	2008 Actual	2009 Actual as at June 30	2009 End of year forecast as at June 30	2009 Planned as per revised Profile
Number and value of research scholarships funded by the University	195 \$3.8m	229 \$4.1m	193 \$2.4m	274 \$5.0m	230 \$4.1m
Number and value of internal research grants, including equipment	201 grants \$1.8m	274 grants \$2.389m	204 grants \$0.84m	261 grants \$2.4m	220 grants \$2.2m

⁶ This figure includes contracts for COREs (MacDiarmid and Allan Wilson Centre) that were awarded in 2007.

SECTION 1.B
CANADA: CANADIAN COAST GUARD
ANNUAL REPORT 2007-8
(SECTION 5: MEASURING PERFORMANCE)

5

MEASURING PERFORMANCE



Whether supporting Canadian Coast Guard programs, Fisheries and Oceans Canada, other government departments or agencies, or protecting broader Canadian interests, the goal of the Fleet is to provide safe and secure, effective and efficient services.

While Section 4 examined services by client, Section 5 looks at the accountability and overall performance of the Fleet, with measures endorsed by the Fleet Executive Board (this board is the management and governance authority for the Fleet, consisting of the headquarters Fleet Directors; Regional Directors, Fleet Operational Services; and is led by the Director General, Fleet).

As new evaluation factors are developed, performance measures will evolve to ensure that Fleet has meaningful, timely and accurate information on which to base decisions and report to Canadians.

5.1 ACCOUNTABILITY

Accountable to CCG Senior Management:

Coast Guard Fleet is managed through a clear national accountability structure based on the principles of openness, transparency, and national consistency. The Fleet Executive Board (FEB), a national body led by the Director General, Fleet, is accountable for promoting national consistency and leadership in the management of the fleet and its personnel in such matters as safety, security, operational and capital planning, financial management, performance and operation of CCG vessels and helicopters. FEB meets regularly to ensure effective overall management of the Fleet. The Regional

Directors Operational Services, reporting to their respective regional Assistant Commissioners, to the Commissioner, are accountable for the day to day operations, program delivery and associated financial and operational management, safety, security, overall management and leadership of the Fleet and its personnel.

Accountable to Program Clients:

Fleet is accountable to its clients in the ongoing provision of services primarily through the execution and delivery of its Fleet Operational Plan. More generally, however, accountability for the overall management of the fleet is governed by Coast Guard's comprehensive three-year Business Plan – this includes accountability for the outcomes of special initiatives designed to deliver on the priorities of the Coast Guard in its efforts to enhance its services, support its people, and maximize its efficiency.

Accountable to Canadians and Business Plan commitments:

The following table reflects the outcomes of Fleet 2007-2008 commitments in the CCG 2007-2010 Business Plan. It reflects what has already been reported in the 2007-2008 Business Plan Year-End Report:

- The project or deliverables were completed as planned and/or decision/approval was obtained by April 30, 2008.
- The project or deliverables are substantially incomplete.
- The project or deliverables were not completed as planned due to external factors/or substantial progress has been made but the project or deliverables were not fully completed by April 30, 2008.

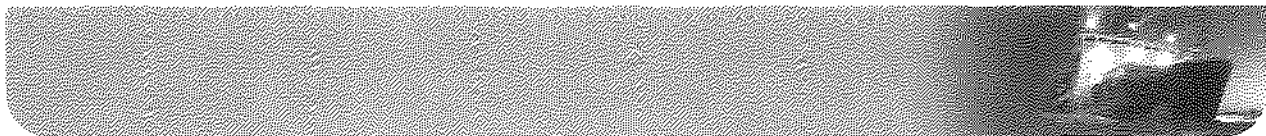


Table 6 – 2007-2008 Fleet Commitments

What was Achieved in 2007-2008

CCG Business Plan Priority: Support for Canada's Maritime Security Agenda

Deliver enhanced Marine Security Enforcement Team (MSET) training to relevant CCG employees.

Complete. Enhanced Police Defensive Tactics and Law Enforcement Familiarization training, which included RCMP, delivered as planned.

CCG Business Plan Priority: Fleet Renewal

Develop new charging model and performance indicators for internal clients based on the concept of operational readiness

To clearly demonstrate the full cost of having a Fleet capable of responding to Coast Guard needs and the maritime priorities of other government departments:

- the Fleet Operational Readiness program has been developed and approved by the Treasury Board Secretariat.
- a Fleet Financial Framework and national costing model has been introduced;
- a Service Level Agreement (SLA) working group has been established with DFO clients on service commitments, performance indicators, and the new charging model; and
- the timing of the finalization of the SLA will depend on obtaining full agreement of parties external to CCG.

Improve coding and business rules for the Fleet Activity Information System (FAIS) to meet Fleet and Client information requirements.

Complete.

Define requirements of Fleet Mission Readiness.

Complete.

Develop new Enhanced Fleet Planning Process integrated with Business Planning processes.

Complete.

Publish a Fleet Annual Report for 2006-2007 that clearly depicts quantitative and qualitative analysis of the Fleet's performance.

Complete. To be published annually.

CCG Business Plan Priority: Focus on People

Seagoing Personnel Career Development Initiative – Build capacity and program.

Complete. The initiative is designed and tested but there are indications that some classification issues may arise during implementation.

Obtain approval of standard regional organizations (SRO) and migration strategy from CCG Management Board (all DGs and ACs are accountable).

- The standard regional organizations (SRO) have been approved.
- Principles have been developed to guide CCG's migration to the SRO over time.
- Next steps are discussions with bargaining agents and communication with staff.

Develop National Model Work Descriptions (NMWDs) for technical and seagoing positions.

➤ Seagoing NMWDs have been developed and submitted to classification.

Develop strategic frameworks for collective bargaining with Ships' Crews.

Complete. Negotiations ongoing.

Fleet commitments for fiscal year 2008-2009 are reflected in the CCG 2008-2011 Business Plan at <http://www.ccg-gcc.gc.ca/eng/CCG/Home>.

5.2 SAFE AND SECURE DELIVERY

The Canadian Coast Guard Fleet is an organization committed to safety, security and environmental protection in the delivery of quality services to its clients. The fleet operates in a significant risk-based maritime environment with our personnel, vessels, air cushion vehicles, helicopters and small boats conducting operations in some of the world's most remote locations under extreme environmental conditions.

The safety and security of our seagoing personnel, supernumeraries, support staff and scientists is paramount. Fleet manages these risks through its Safety and Security Management System (SSMS). Twenty-five full-time staff are dedicated to work with seagoing and shore-based Fleet personnel to promote a culture that puts safety and security first on a daily basis. These employees work to ensure safe and secure delivery of Coast guard programs through the promotion of a "safety culture" and a rigorous system of audits conducted on board all fleet vessels, monitoring the results of incidents, and developing mitigation policies and systems procedures to protect employees.



CCGS Jackman, SAR Lifeboat with DND Helicopter.
Photos: HQ & NCL

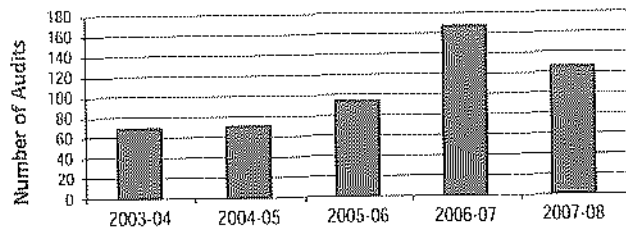
The number of audits conducted throughout the fleet has increased significantly since 2005, as vessels between 15 and 125 gross tonnes were introduced to the SSMS and vessels above 100 gross tonnes started to comply with the International Ship and Port Security (ISPS) Code. The initial introduction of these vessels resulted in a high number of audits in 2006-2007 as each of these vessels necessitated both a pre-certification audit as well as a certification audit.

Fleet Safety and Security tracks each reported shipboard incident. The number of reported incidents in the fleet increased in F/Y 2007-2008. This increase can be attributed to the introduction of vessels between 15 and 125 gross tonnes. As with the initial introduction of the SSMS onboard vessels above 125 gross tonnes, increased awareness of seagoing personnel of the importance of reporting all incidents leads to an increase in the number of incidents reported and causes an apparent increase in the number of hazardous occurrences. The increase in unsatisfactory conditions can also be attributed to this increased awareness of reporting potential incidents for prevention purposes. Additionally, breakdowns, reflective of an ageing fleet are also included in this category.

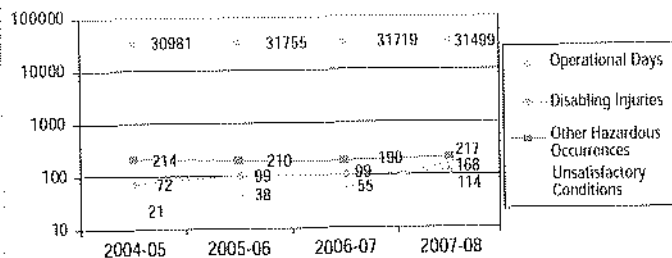
A number of initiatives are in progress across the country to reduce accidents and injuries to fleet personnel and better protect all employees. Some of these include:

- A National respiratory protection program has been developed and is being implemented Fleet-wide in 2008. The program, based on the CSA standard, provides mechanisms to reduce exposure to contaminants through improved ventilation, enclosure or isolation, or by substituting a less hazardous process or material and providing personal protective respiratory gear when needed. All Fleet

Graph 8: Number of SSMS Audits from 2003-2004 to 2007-2008



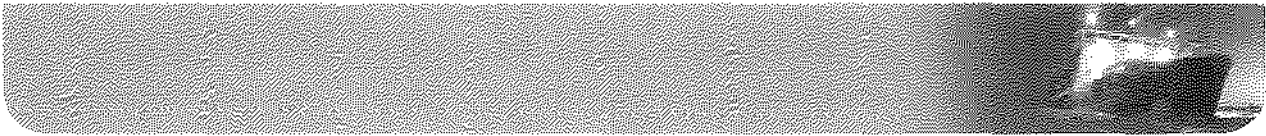
Graph 9: Trend of Reported Incidents (2004-2005 to 2007-2008 F/Y of Operational Days)



personnel will receive specialized protective equipment and will be trained in identifying situations where protective gear is required, how to use it safely, and how to care for and maintain this equipment.

Fleet Safety and Security has been working with DFO Occupational Safety and Health to increase awareness of proper lifting techniques to reduce the number of back related injuries to Fleet personnel.

A survey of the Safety and Security Management System aimed at all seagoing and shore-based employees has been prepared to encourage feedback about the Safety and Security Management system.



A Day in the Life of a Marine Engineer

After one year at Dalhousie University, Julia Murphy was uncertain about her future. That changed when she heard that the Canadian Coast Guard College was accepting applicants and she decided to apply to the engineering program. It was a perfect fit – she is now one of only a handful of women engineers in Canada with a First Class Marine Engineering Certificate of Competency.



Marine Engineer
Julia Murphy

Julia graduated with a Diploma in Marine Engineering and a Bachelor of Technology in Nautical Sciences. She spent six years working in Dartmouth in the Maritimes Region. Her first year was spent on the CCGS *Provo Wallis*, a small buoy tender. During her second year, she moved between the CCGS *Edward Cornwallis* and the CCGS *Terry Fox*, before settling for four years on the CCGS *Sir William Alexander*. In April 2008 she returned to the CCGS *Cornwallis* as Senior Engineer, and has since accepted an assignment at headquarters where she will be implementing a new maintenance management plan for ships across the country.

As a Senior Engineer on ships, Ms. Murphy's days started at 6 a.m. when she met with the watch engineer and the engineering staff to discuss and plan the day's events. As higher priorities arise, the engineers adapt their routines. As Murphy says, "There is the plan, and then there is what happens."

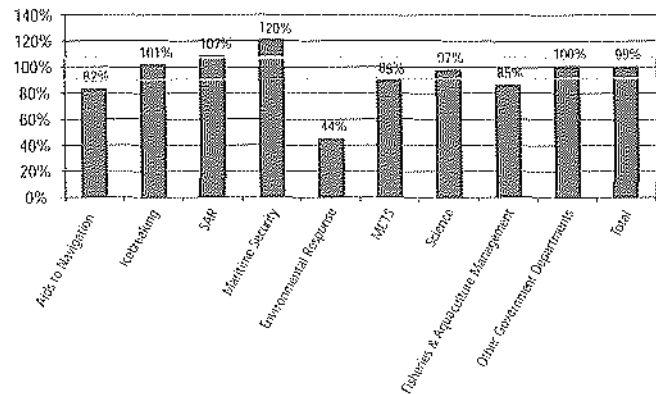
Ms. Murphy appreciates the fact that her job is never the same and is always challenging. As many vessel engineering systems are due for inspection every five years, she benefits from opportunities, as she states, "to work on something I've never seen torn apart before". Working with others to solve problems to ensure that the ship can continue with its program is truly rewarding to her.

Ms. Murphy is comfortable with the fact that, nine times out of 10, she is the only woman in the engine room. She says Coast Guard presents a great opportunity "the guys are always willing to help and that is who you learn from – far more than from text books – people are my best resource."

As illustrated in Graph 10, across all clients, a service delivery average of 99% was achieved although admittedly with substantive program variability. Services to Icebreaking, SAR, Science and OGD were all within the 10% tolerance range. Where the service was below or over the tolerance zone, reasons are explained in Section 4.

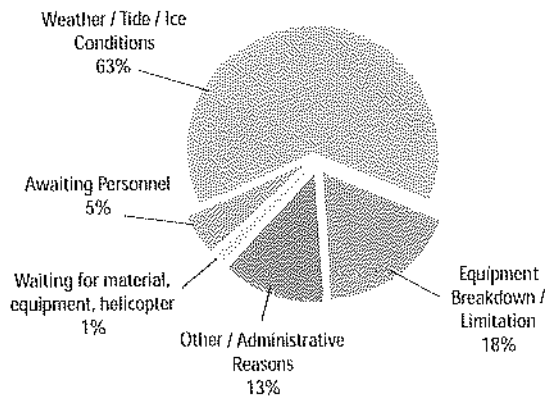
Another means of assessing fleet effectiveness is to measure operational delays, based on the time a vessel is available but experiences delays for reasons such as weather, waiting for equipment or personnel, equipment breakdown, administrative reasons, etc.

Graph 10 Service Delivered versus Planned by Fleet Clients 2007-2008



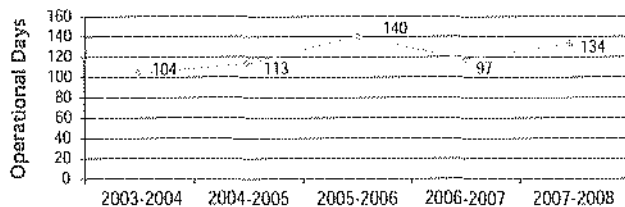
In 2007-2008, 820 days have been lost due to delays. The majority of delays were due to uncontrollable factors such as the weather, waiting for a favorable tide and difficult ice conditions (63%). Equipment breakdown accounted for 18% of delays and the remaining 19% were due to the late arrival of material, equipment and helicopter, and other reasons.

Graph 13: Reasons for Operational Delays, 2007-2008 (%)



Since 2003-2004, CCG equipment breakdowns have increased by 28.85% reflective of a continually ageing fleet (Graph 12). Significant single ship breakdowns, such as *CCGS W.E. Ricker* in 2005-2006, cause large annual variability in this statistic.

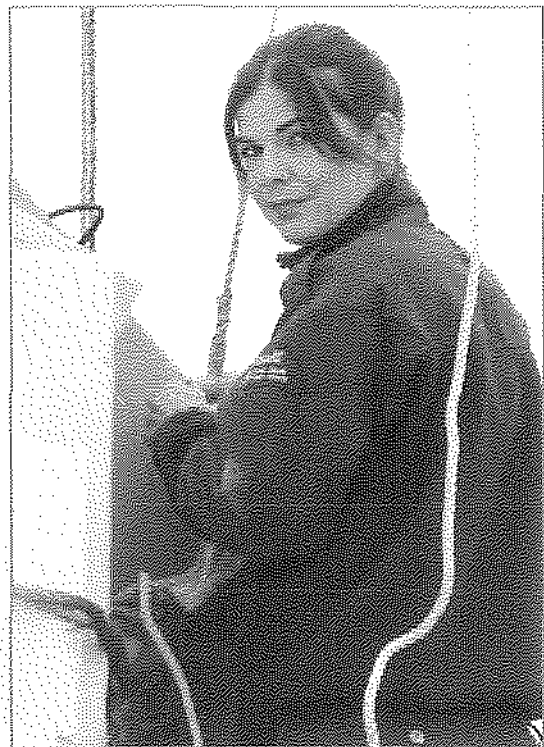
Graph 12: Delays Caused by CCG Equipment Breakdown, 2007-2008



5.4 EFFICIENT DELIVERY

To measure Fleet efficiency, performance measures have been developed, two of which are: vessel availability and multitasking.

A vessel is available when it is ready to be assigned to a mission or client, and is unavailable when in winterization or lay-up, or in extended planned or unplanned maintenance. Vessels in winterization are essentially unavailable for use by clients due to the seasonal nature of the program; this does not mean that CCG Fleet is restricting client access to the vessel, but reflects fleet operations in a northern climate. Similarly, planned and unplanned maintenance is arranged in consultation with program client needs, and also serves to provide confidence to the client that vessels are maintained to the best of CCG's ability, given competing requirements for scarce resources.



Leading Seaman Marlene Charbonneau at work
Photo: S. Julien, Fisheries and Oceans Canada

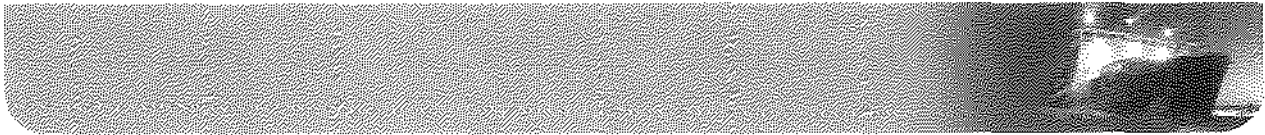


Table 7: Operational Status of Vessels, 2007-2008 (%)

Assigned to client	Unassigned	Planned Maintenance	Sub-total	Lay-up / Winterization	Planned Maintenance	Unplanned Maintenance	Other	Sub-total	Total
67%	1%	0%	68%	19%	9%	3%	2%	32%	100%

Similar to last year, in 2007-2008, when available, vessels were predominantly assigned to clients (67%) and rarely unassigned (1%). When vessels were not available, they were most often in lay-up or winterization (19%), having scheduled maintenance (9%), or experiencing breakdowns/unplanned maintenance (3%). Even though vessels were unavailable more often than had been anticipated, the overall plan was effectively delivered to all programs and clients.

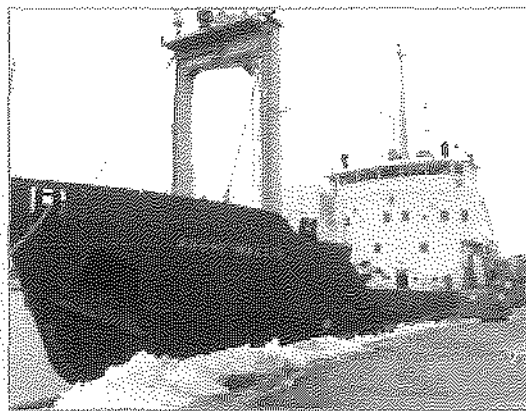
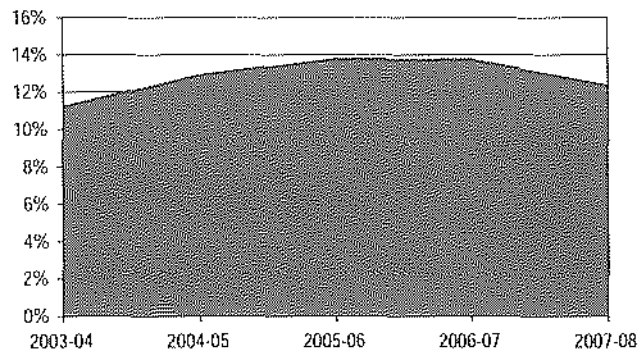
The second relative measure of efficiency is multitasking – when a vessel performs two or more tasks simultaneously. Icebreakers, for example, can provide a number of other services while icebreaking. These include SAR coverage, performing observe, report and record functions, supporting maritime security, or conducting pollution monitoring and/or response. Thus, with one vessel, within the limits of geography, time, availability, and capability, simultaneous missions can often be conducted.

In 2007-08, plans called for 7.2% of days to be spent multitasking; in fact, 12.3% of delivered days involved multitasking. This was in large part due to the impacts of the ice conditions encountered during the seal hunt when the operations of many vessels planned as single program platforms actually had to be redirected towards the escort of over 300 vessels off the northeast coast of Newfoundland.

The multitasking trend had been upward until 2006-2007, with a decrease in 2007-2008. This can be attributed to the dedicated assignments of the *CCGS Amundsen* (to

International Polar Year research) and of the *CCGS Louis S. St-Laurent* (to UNCLOS and IPY), which do not allow for multitasking, and to unplanned maintenance to the *CCGS Limnos*, which was replaced by the *CCGS Griffon*, reducing the time spent multitasking by both vessels.

Graph 13: Actual Multitasking, 2003-2004 to 2007-2008 (%)



CCGS Provo Wallis, Medium Endurance Multitasking Vessel
Photo: PA Englen

5.5 FINANCIAL RESOURCES

Significant investments in Coast Guard over the past few years have enabled it to maintain service to Canadians and to make important asset re-investments. This will help CCG respond to increasing demands for its services, as more and more often the fleet is being tasked to respond to situations outside of planned programs. As is the case with all operational organizations, rising costs have had a significant impact on our ability to meet client expectations.

During fiscal year 2007-2008, the fleet consumed approximately 63 million litres of diesel fuel. This is reflective of increased programming in the Arctic (IPY and UNCLOS) and heavier than normal ice conditions. As a reference point, the Fleet had consumed, on average, approximately 57 million litres of diesel fuel annually, between 2003-2004 and 2006-2007. This increase over historical average, coupled with unprecedented fuel costs, created enormous financial pressures on Fleet in particular and on CCG as a whole. In 2007-2008 Fleet had planned an average cost per litre of 73¢ but actual cost averaged 83¢. This translated into greater than expected fuel expenditures for Fleet as well as restricting its ability to fuel up at year end due to budget constraints.

The effect of rising fuel costs...

An increase of \$.01 per litre =
\$630,000 per year for the fleet

The basic concepts underlying CCG's financial planning are operational readiness and integrated planning, including a more accurate and refined National Fleet Costing Model.

CCG Fleet Operational Readiness (now a separate program within the CCG Program Activity Architecture approved by Treasury Board Secretariat) has enabled the CCG Fleet to evolve from a narrow, short-term planning approach driven by client needs and an allocation based funding model, to a more holistic and integrated planning methodology reflective of Coast Guard's position as the Government of Canada's civilian fleet that must be ready to respond in times of need. An entirely new Fleet Financial Framework and a new budgeting process were introduced in 2007-2008 with many processes radically changed:

- The Fleet Financial Framework reflects the broader Government of Canada and CCG priorities, as well as those of Fleet clients. Transparency and relationships with clients are further improved by client service agreements, thereby ensuring that financial performance and program delivery are monitored and reported on a regular basis.
- The Fleet Fuel Management Policy introduced fuel forecasting and tools, such as sophisticated fuel inventory monitoring reports, to help Fleet and CCG management make financial decisions related to fuel use.
- Integrated planning means that clients at both the national and local levels are included in the Fleet planning process and are better able to plan their program results and budget more accurately for the services they receive. It also means that the maintenance needs of an ageing fleet are programmed in a more rigorous manner.

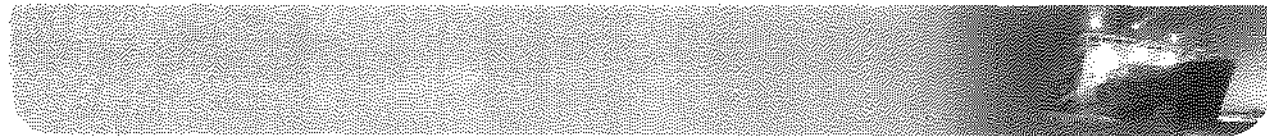


Table 8 shows the budgetary amount of operating dollars provided to CCG in the delivery of those programs that are included in Coast Guard's financial reference levels (which includes Science program and Fisheries and Aquaculture Management

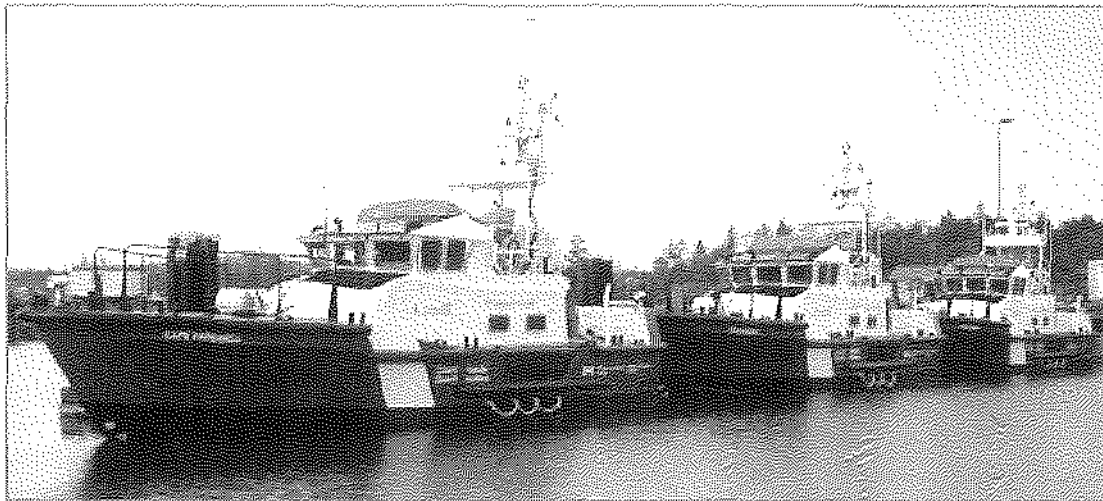
program budgets for vessel use), but does not include additional program support to some government departments which are funded under separate arrangements. (The table below does not include capital funds provided for the refit or replacement of Fleet assets).

Table 8 - Fleet National Budget, 2007-2008 (\$000s)

	Salaries	O&M	Fuel	Sub Total	Minor Capital	Total
Fleet	143,415	30,243	43,147	216,805	151	216,956
Helicopters	1	11,818	1	11,818	-	11,818
Sub Total	143,415	42,061	43,147	228,623	151	228,774
Shore	17,795	6,874		24,669	1,046	25,715
Total	161,210	48,935	43,147	253,292	1,197	254,489

¹ Captured in O&M

² Captured in O&M



Three SAR Lifeboats, *Cape McKay, Cape Mudge and Cape Farewell*

Photo: PA Rogien

SECTION 1.C
UNITED STATES: GOVERNMENTAL ACCOUNTING STANDARDS BOARD
SERVICE EFFORTS AND ACCOMPLISHMENTS REPORT AUGUST 2009



August 2009

Technical Inquiry Activities: Service Efforts and Accomplishments Report for First Half of 2009

How and Why the GASB Produces This Report

In addition to its activities related to developing new and improved standards of accounting and financial reporting and other communications for state and local governments, the GASB staff spends a significant amount of time responding to questions (technical inquiries) about existing GASB standards. This service efforts and accomplishments (SEA) report presents performance information about the technical inquiry activities of the GASB staff during the first six months of 2009, with comparative information for 2005 through 2008.

The GASB reports this performance information to apprise its constituents—the preparers, auditors, and users of state and local government financial reports—of its efforts to assist in understanding and implementing GASB standards. The GASB’s efforts to respond to constituent questions are key to supporting the educational quality of its standards.

At the beginning of each month, the GASB conducts a brief survey of inquirers whose inquiries were completed in the previous month. The GASB staff selects a random sample of 15 inquirers each month, or roughly 10 percent of the inquiries closed. The survey is administered primarily by email or alternatively by telephone if an email address is not available. The response rate approaches 100 percent every month; if an inquirer does not respond to the initial contact or a subsequent reminder, then an additional inquirer is selected randomly to ensure at least 15 respondents every month. The survey poses four questions regarding the inquirer’s satisfaction with the understandability and timeliness of the GASB’s answer, the helpfulness of the staff member, and the overall experience.

Although all reasonable efforts are made to ensure that the information underlying the performance information in this report is accurate, it should be noted that this information has not been independently audited.

Major Goals and Objectives

GASB Goal: Education—Promote the development of informed and competent financial report users, preparers, and auditors. Constituents need assistance in understanding GASB pronouncements, as well as in understanding and using the resulting information in financial reports.

Within the goal of education, the following performance measures assess a part of the GASB’s strategic plan objective to “Guide and educate constituents about the content and value of the GASB’s reporting requirements and proposed standards.”

The GASB equates success toward this objective with achieving a high degree of constituent satisfaction regarding how quickly a response to the inquiry is received, how understandable the

response is, how helpful the staff member handling the inquiry is, and the overall experience of submitting an inquiry and receiving a response.

Key Measures of SEA Performance

Table 1. Inquirer Satisfaction with Understandability, Helpfulness, and Promptness

Measure	1/09–6/09	GASB Goals	Total 2008	Total 2007	Total 2006	Total 7/05–12/05
Answers to technical inquiries were understandable or very easy to understand	95.6%	90.0%	97.3%	97.4%	96.8%	96.0%
Person responding to technical inquiry was helpful or very helpful	97.8%	90.0%	98.9%	98.4%	98.4%	97.0%
Person making technical inquiry was satisfied or very satisfied with promptness of response	98.9%	90.0%	98.4%	96.3%	95.8%	94.1%
Overall, person making technical inquiry was satisfied or very satisfied with the experience	96.7%	90.0%	97.8%	97.4%	96.3%	95.0%

Table 2. Time Required to Complete Inquiries

Technical inquiries closed within:	Total 1/09–6/09	GASB Goals	Total 2008	Total 2007	Total 2006	Total 7/05–12/05
0–6 days	84.9%	80.0%	85.2%	85.2%	78.7%	85.9%
7–13 days	94.2%	90.0%	92.9%	92.9%	91.2%	91.7%
14–20 days	96.8%	95.0%	95.8%	95.8%	94.9%	96.4%
21–27 days	98.2%	100.0%	97.4%	97.4%	96.8%	98.7%
28+ days	100.0%		100.0%	100.0%	100.0%	100.0%

Table 3. Time Until First Contact Is Made with the Inquirer

First contact with inquirer made within:	Total 1/09–6/09	GASB Goals	Total 2008	Total 2007
1 day	64.3%	60.0%	69.4%	69.7%
2–6 days	89.6%	90.0%	88.8%	91.5%
7 days	92.3%	100.0%	90.8%	93.4%
8+ days	100.0%		100.0%	100.0%
Total				

Discussion and Analysis of Results and Challenges

Constituent satisfaction with the GASB’s technical inquiry activities was well above the GASB’s goals in the first half of 2009. (See Table 1.) The percentage of inquirers surveyed that were satisfied or very satisfied with the understandability, helpfulness of the GASB staff member responding, and promptness of the answer to their inquiry was nearly 96 percent, 98 percent, and 99 percent, respectively. Overall satisfaction was almost 97 percent. These results are close to the 2008 figures, which were the highest satisfaction ratings since the GASB began surveying inquirers in 2005.

The goal of completing all technical inquiries in less than four weeks continues to be elusive. (See Table 2.) However, the percentage of inquiries closed in less than four weeks improved over 2008 to 98 percent, the highest level since the second half of 2005. The percentage of inquiries closed within one, two, and three weeks all exceeded established benchmarks for the first half of 2009.

The length of time required to complete an inquiry often relates to the complexity of the subject matter. The guidance provided in response to technical inquiries is specific to the facts and circumstances of the particular inquiry, which may be difficult to ascertain from the original question. In addition, the current work load of the particular staff member to whom an inquiry is assigned may explain why a small percentage of inquiries take four weeks or more to complete. For instance, the volume of technical inquiries tends to increase noticeably as the effective date of new standards approaches.

Although it may take one to three weeks to provide a final answer to an inquirer, the staff actually responds much sooner in order to acknowledge receipt of the inquiry and to gather additional information. The GASB’s goal is to make initial contact with all inquirers within one week.

First contact was made within one week for 92 percent of the inquiries received in the first half of 2009. (See Table 3.) This is an improvement over 2008, though down from the mark of 93 percent in 2007, when this indicator was first measured.

The benchmarks for making contact within 2 to 6 days 90 percent of the time and within 1 week for all inquiries were not met in the first half of 2009. For nearly 8 percent of inquiries, first contact did not occur until at least a week had passed. Again, this is an improvement over 2008, when over 9

percent of inquirers were not contacted within 7 days, but it falls short of the mark of less than 7 percent in 2007 and also short of the overall goal.

SECTION 3.A
AUSTRALIAN GOVERNMENT: AUSTRALIAN NATIONAL AUDIT OFFICE
ANNUAL REPORT 2007-8
(SECTION 3: REPORTING ON PERFORMANCE)

3

REPORTING ON PERFORMANCE

This section presents the scorecard from our Portfolio Budget Statements and Business Plan and also describes the performance of our three Output Groups namely: Output Group 1 – Performance Audit Services; Output Group 2 – Information Support Services; and Output Group 3 – Assurance Audit Services.

Performance overview

Our Scorecard provides an overview of performance based on the performance information contained in the 2007–08 Portfolio Budget Statements (PBS) and our 2007–08 Business Plan.

The performance measures that relate to the three output groups are quantitative in nature and are essentially concerned with issues of efficiency and productivity in delivering audit products. The measures relate primarily to quantity, timeliness and cost.

The outputs' contributions to the achievement of our outcomes are also discussed. These sections relate primarily to the impacts (outcomes) that our outputs have on the Parliament, public sector entities and public sector administration in general. Both quantitative and qualitative measures are used to assess the performance.

This approach provides an understanding of the link between our products (outputs) and their resulting impacts (outcomes).

Portfolio Budget Statements Scorecard 2007–08

Whole of ANAO		Target	Actual
1	Parliament acknowledges the value of the ANAO contribution.	90% value role of ANAO	93% of Parliamentarians surveyed expressed satisfaction with ANAO products and services. ¹
2	Public sector entities acknowledge the value added by ANAO products and services.	90% value role of ANAO	Assurance Audit Services 90% ² Performance Audit Services 79% ³
3	The JCPAA's general satisfaction with the overall quality, timeliness and coverage of our products and services.	High standard of satisfaction	JCPAA survey responses indicate a very high level of satisfaction with ANAO's work. ¹
	Output Group 1: Performance audit services	Target	Actual
4	Number of performance audit reports to be produced.	51	44 ⁴
5	Percentage of audit recommendations supported by the JCPAA and other Parliamentary Committees.	90%	JCPAA Report No 412 was not tabled in financial year 2007–08.
6	Percentage of audits where public sector entities acknowledge the value added by the audit.	90%	93% of audit recommendations were agreed in full.
7	Quality assurance results indicate all reviewed audits meet ANAO Auditing Standards.	100% of reviewed audits	100%
8	Full costs of audit products and services are recorded and reported.	100%	100%

Output Group 2: Information support services		Target	Actual
9	Number of client seminar series.	2	5
10	Number of better practice guides to be produced.	4	4
11	Seminar topics meet the needs of participants.	75% satisfaction level.	95% of those who provided feedback indicated the seminars met their objectives and that the course content was useful.
Output Group 3: Assurance audit services		Target	Actual
12	Number of financial statement audit opinions to be issued.	240	237 ⁵
13	Number of financial statement related report products to be produced.	2	2
14	Number of other audit opinions/ reviews.	2	1 ⁵
15	Timeliness of issuing financial statement audit opinions.	100%	86% issued on the day or within two working days of signing the financial statements. ⁶
16	Percentage completed in accordance with agreed timeframes (financial statements).	100%	76% ⁷
17	Quality assurance results indicate all reviewed audits meet ANAO Auditing Standards.	100%	Quality assurance completed. Results have highlighted greater attention is required to demonstrate compliance with the auditing standards, particularly in relation to documenting audit work.
18	Full costs of audit products and services are recorded and reported.	100%	100%

Notes:

1. Parliamentary Survey, May 2005 (next survey due for completion second half of 2008).
2. AASG Client Survey, March 2008.
3. PASG Client Survey as at August 2008. The results of this survey are being evaluated.
4. Includes Business Support Process and Protective Security Audits. The reasons for this shortfall include: the redirection of resources to higher priority activities such as the major Defence capital equipment projects, the need to allocate extra resources to complete major undertakings such as the performance audit of the Regional Partnerships Program and the need to divert resources from the Performance Audit Program to respond to requests by Ministers or Parliamentarians for the review of matters of immediate concern; and a higher than anticipated level of staff turnover.
5. The actual number of audit opinions is dependent on the number of entities subject to audit which, in turn, is dependent on legalisation and government decisions.
6. Our objective is to issue the audit opinion on the same day as the signed financial statements are received by the ANAO. However, closure within two days is considered acceptable. We continue to work with entity CFO's to improve this result.
7. Performance under this indicator is the responsibility of entities, however, we continue to work closely with entity Audit Committees and CFO's to improve this result.

Business Plan Scorecard 2007–08

As well as the targets set in the Portfolio Budget Statements, our 2007–08 Business Plan included a number of additional targets, which are set out in the table below.

Activity	Target	Actual
1 Staff satisfaction is at an acceptable level.	>70%	67% ¹
2 Staff turnover is at an agreed level.	<18% turnover	30% ² We operate in a highly competitive market for accounting skills. Recruitment and retention strategies and performance are closely monitored.
3 Public sector organisations acknowledge understanding and skills of ANAO staff through client satisfaction surveys.	90% of agencies agree that ANAO staff have the necessary understanding and skills to carry out the audit work.	Assurance Audit Services 91% ³ Performance Audit Services 81% ⁴
4 Professional development programs result in an improvement in the level of performance of staff.	Staff and supervisors acknowledge an improvement in the level of on-the-job training.	75% of surveyed staff indicated that the professional development they received helped them to improve their performance. 31% indicated the improvement was high to very high. 44% indicated a moderate improvement.
5 Staff acknowledge ANAO values and behaviours are exhibited in the workplace.	85% of staff considers that the ANAO values of respect, integrity and excellence are exhibited in the workplace.	An average of 79% of staff surveyed agreed that the ANAO values and behaviours are exhibited in the workplace. ⁵
6 Implementation of Business Plan action items within agreed timeframes and standards.	100%	All projects have been completed or are ongoing activities.

Notes:

1. ANAO Staff Survey August 2008. The results of this survey are being evaluated. Emphasis is being placed on our learning and development and induction programs.
2. An ANAO wide target, which measures the number of staff leaving as a percentage of total ANAO staff.
3. AASG Client Survey March 2008.
4. PASG Client Survey as at August 2008. The results of this survey are being evaluated.
5. ANAO Staff Survey August 2008. The results of this survey are being evaluated. This issue will also feature in the delivery of our leadership program.

Output Group 1

Performance Audit Services

This sub-section describes our audit themes and performance audit products and how they contribute to the work of the Parliament and public sector entities.

Output Group 1 comprises performance audit reports and other audit and related products. The following summarises our performance in producing these outputs in 2007–08. Details of financial resources for performance audit services are set out in Tables 1 and 2 of this report.

Performance audits

The Auditor-General Act 1997 (the Act) provides the Auditor-General with the authority to conduct, at any time, a performance audit of an agency, a Commonwealth authority or company, other than a Government Business Enterprise (GBE) or any of its subsidiaries. The Auditor-General may conduct a performance audit of a fully owned GBE or its subsidiaries if the responsible Minister, the Finance Minister or the Joint Committee of Public Accounts and Audit (JCPAA) request the audit.

The Act defines a performance audit as a ‘review or examination of any aspect of the operations of a body or person’. In accordance with accepted auditing practice, performance audits are an independent, objective and systematic examination of the operations of a body for the purposes of forming an opinion on whether:

- management of the operations is economical, efficient and effective;
- internal procedures for promoting and monitoring economy, efficiency and effectiveness are adequate; and
- improvements might be made to management practices (including procedures for promoting and monitoring performance).

Typically, performance audits examine governance arrangements, information systems, performance measures, monitoring systems and legal compliance. Audits are conducted in accordance with ANAO Auditing Standards. All performance audit reports are tabled in the Parliament.

In seeking to improve public administration, performance audits also identify better practices, which may then be incorporated into Better Practice Guides (BPGs) produced by the ANAO for dissemination throughout the Australian Government public sector. These guides are discussed under Output Group 2.

Because of the size, complexity and diversity of many Australian Government entities, a performance audit usually examines selected program activity. Cross-portfolio or cross-agency performance audits, which include business support process audits and protective security audits, examine the same issue or activity in a number of entities, and the findings and recommendations of these audits are likely to have application across other public sector entities.



PAS staff members, from left, Rosanne Lawrence, Charles Higgins and Anne Svarcas.

Audit topics are selected with two major considerations in mind:

- where an audit can be expected to add the greatest value in improved accountability, economy, efficiency or administrative effectiveness; and
- to ensure appropriate coverage of entity operations within available audit resources.

PAS staff members from left, Rosanne Lawrence, Charles Higgins, Anne Svarcas.

The Auditor-General may also undertake audits on request, for example, from the Parliament, ministers or parliamentarians. In the case of requests for reviews which are relatively straightforward, we are often able to respond to the relevant issues through normal correspondence rather than a formal report.

Performance Audit Work Program

Our Performance Audit Work Program is developed annually in consultation with the JCPAA and audited entities. The JCPAA also seeks and coordinates comments from other Parliamentary committees on the draft Audit Work Program. This process is to ensure that our audit products and outputs meet the needs of the Parliament and public sector bodies, and are in tune with the key risks and challenges facing the Australian Government in a rapidly changing environment.

Audit activity is planned having regard to risks; financial materiality; program significance; audit impact; visibility of the program; the extent of recent audit and evaluation coverage; and broad themes derived from the audit planning process. The performance audit themes identified in the 2007–08 *Planned Audit Work Program*⁵ are set out below:

- * governance (including whole of government initiatives, financial management, information system integrity, and compliance with policy and legislative requirements);
- * administration of border security;
- * program implementation;
- * service delivery;
- * grants administration; and
- * the environment.

Performance audit outcomes by theme

Each performance audit is summarised by theme in Appendix 4. A broad outline of the range of issues addressed under each theme is set out below, noting that audits may address more than one theme in the coverage of the issue.

Governance

The broad area of governance continues to be a major focus for performance audit activity. In 2007–08, a wide spectrum of topics were covered under this theme including for example: the National Cervical Screening Program; Australian Apprenticeships; whole of government indigenous service delivery arrangements; Pathology Quality and Outlays Memorandum of Understanding (MOU); Senate Order for Departmental and Agency contracts; taxation administration and management of related compliance risks; data integrity in the Child Support Agency; management of cost recovery; and Defence's compliance with the Public Works Committee approval process.

Administration of border security

Australia's border security arrangements involve a considerable number of functions and activities across a number of Australian Government entities. In 2007–08, audits under this theme included: electronic travel authority; Customs' container examination facilities; and Australia's preparedness for a human influenza pandemic.

Program implementation

The delivery of many Australian Government programs involves the application of knowledge, skills, tools and techniques to a range of activities to meet specified project requirements and outcomes. The audit on the administration of building certification of residential aged care homes was carried out under this theme in 2007–08.

⁵ Available from the ANAO's website <http://www.anao.gov.au>.

Service delivery

An ongoing objective for a number of Australian government entities is to provide a diverse range of high quality and cost effective services that meet the ever-increasing expectations of the Parliament, government and the community. In 2007–08 audits carried out under this theme included: the implementation of Centrelink's proof of identity framework; Australian Taxation Office's administration of Australian Business Number registrations; accuracy of Medicare claims processing; management of Australian Public Service recruitment; and management of national assets.

Grants administration

Many Australian government entities administer significant grants program funding to a wide variety of public and private sector recipients and effective program management represents an important service to the community. Audits carried out under this theme in 2007–08 included: Australian Technical Colleges Program; Regional Partnerships Program; Automotive Competitiveness and Investment Scheme; Australian Rail Track Corporation; Tasmanian Forest Industry Development and Assistance Programs; and Parent Schools Partnerships Initiative.

Environment

Environmental issues continue to be matters of widespread interest. The audit of the Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality was carried out under this theme in 2007–08.

Inclusion of agency comments in audit reports

Maintaining a relationship of professional co-operation with the audited agency during an audit is of crucial importance to the ANAO. To facilitate this, we consult fully with agencies during the planning stages, provide early information on the audit approach and objectives, maintain open and regular communication with the agency, and advise audit conclusions and proposed recommendations as soon as practicable. In addition, under section 19 of the Act, the Auditor-General provides a copy of the proposed report to the audited agency. If the recipient of the proposed report gives written comments to the Auditor-General within 28 days of receiving the report, the Auditor-General must consider them before preparing a final report.

In its Report 386 *Inquiry into the Auditor-General Act 1997*, tabled in September 2001, the JCPAA recommended a number of amendments to the Act. One recommendation was that the Auditor-General include agency comments on a proposed report in full in the final report. The Government agreed to this recommendation. Although there have been continuing delays in introducing amending legislation into the Parliament, we continue the practice that commenced in 2005–06 of including agency comments in full in our reports.

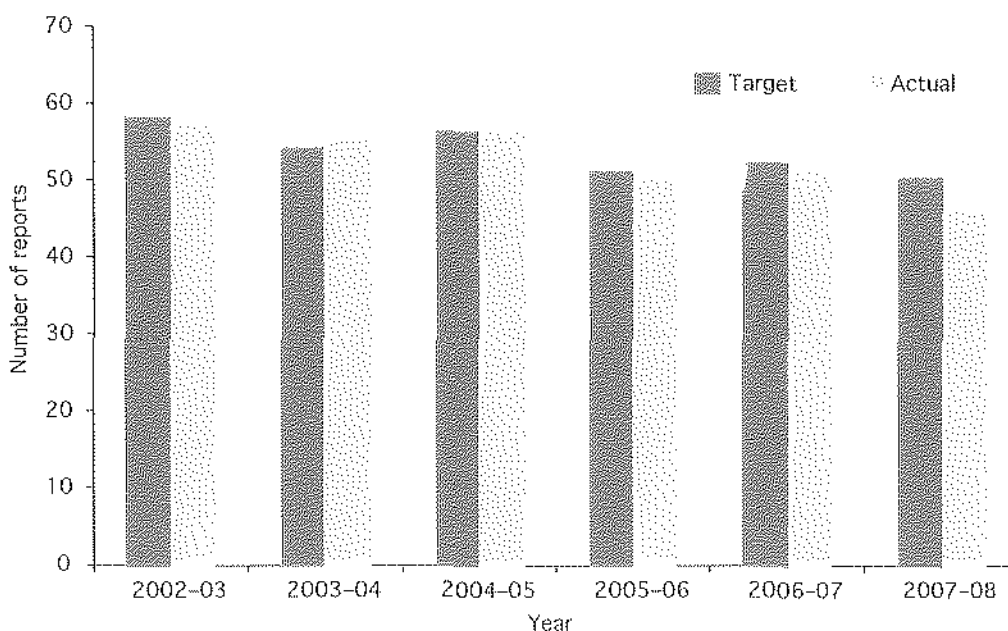
Performance

The primary performance measures for this output relate to the number of reports produced and their cost and quality. Quality targets for performance audit reports are set out in the PBS and our Business Plan and reported in the ANAO Scorecard.

Number of reports

For 2007–08, we tabled 44 performance audit reports against a target of 51. We did not meet our target this year due to the need to redirect resources to higher priority activities such as the major Defence capital equipment projects initiative, the need to allocate extra time to complete major undertakings such as the performance audit of the Regional Partnerships Program, and the need to divert resources from the Performance Audit Program to respond to requests by Ministers or Parliamentarians for the review of matters of immediate concern; and a higher than anticipated level of staff turnover. Figure 3 shows the number of performance audit reports produced under this output over the past six years.

Figure 3: Number of performance audit reports



Performance measures

The primary performance measures for this output relate to the number of audits completed, timeliness and resource usage. Measures of quality are discussed under 'Contribution to Outcomes'.



PAS staff member Michael Shiel during audit fieldwork.

Average timeframes and costs

The average time taken to complete a performance audit report was 11.4 months, with a range from 6.8 to 21.4 months. (In 2006-07, 12.3 months with a range from 5 to 24 months). The average cost (including overhead allocation) was \$ 0.394 million with a range from \$0.13 million to \$1.2 million (In 2006-07 \$0.368 million with a range from \$0.170 million to \$0.665 million).

Cost of performance audit services

Performance audit services consumed \$23.701 million in 2007-08 (\$21.724 million in 2006-07).

Other audit-related products

We publish a comprehensive annual audit work program each July. The work program provides a portfolio level view of currently underway, potential and reserve audit topics. While not all audits listed will be commenced, the publication does assist agencies by providing a clear indication of our areas of interest.

Planned Audit Work Program 2008–09

We developed the *Planned Audit Work Program 2008–09*⁶ during the latter half of 2007–08. This work program was developed in consultation with the JCPAA and audited entities, and was provided to the Prime Minister, Leader of the Opposition, Ministers, Shadow Ministers, the JCPAA and agency heads. As mentioned earlier, the JCPAA takes the lead role in coordinating parliamentary input to the development of the program. The program outlines performance audits in progress at 1 July 2008 and lists performance audit topics from which audits for 2008–09 are selected. It also sets out in summary form the work programs intended to be undertaken under the other ANAO Output Groups, namely Assurance Audit Services and Information Support Services, which are discussed later in this report.

Contribution to Outcome 1—improvement in public administration

Performance audit services are the primary contributor to our achievement of Outcome 1—*Improvement in public administration*. In turn, the extent to which the outcome is being achieved is largely gauged by consideration of performance audit outputs by the Parliament, as our principal stakeholder, and the client entities being audited.

Outcome 1 is measured through achievement of performance objectives and survey results designed to provide an overall picture of the contribution that our products and services make to the Parliament and public sector entities. Key performance information is presented in the ANAO Scorecard. The scorecard result is supported by other performance information discussed below.

Contribution to the Parliament

The contribution of performance audit services to the work of the Parliament is measured, in part, by a review of comments in Parliamentary committee reports and at committee hearings. Parliamentary committee review of audit reports gives an impetus to entities in their implementation of audit recommendations, and to the overall improvement of public administration resulting from performance auditing. Committees continued to be supportive of audit conclusions and recommendations.

Joint Committee of Public Accounts and Audit

The JCPAA reviews all audit reports and conducts public inquiries into selected audit reports. The ANAO assists the JCPAA in its review work by providing submissions and background information to Committee hearings.

⁶ The Audit Work Program 2008–09 is on our website <<http://www.anao.gov.au>>.

The JCPAA held enquiries into a number of our audits during the year. The reports of this work had not been completed by 30 June 2008. The reports examined by the JCPAA in 2007–08 are listed below:

- Audit Report No.24 2006–07, *Customs Cargo Management Re-engineering Project*;
- Audit Report No.29 2006–07, *Implementation of the Sydney Airport Demand Management Act 1997*;
- Audit Report No.37 2006–07, *Administration of the Health Requirement of the Migration Act 1958*;
- Audit Report No.10 2007–08, *Whole of Government Indigenous Service Delivery Arrangements; and*
- Audit Report No.21 2007–08, *the Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality.*

Audits undertaken by formal request of the Parliament or Ministers or Parliamentarians

There were four audits tabled during the year as a result of a formal request of the Parliament:

- Audit Report No. 14 2007–08, *Performance Audit of the Regional Partnerships Program* was conducted in response to a recommendation of the Senate Finance and Public Administration References Committee report into the Regional Partnerships and Sustainable Regions Programs.
- Audit Report No. 28 2007–08, *Defence's Compliance with the Public Works Committee Approval Process* was conducted at the request of the Joint Standing Committee on Public Works.
- Audit Report No.29 2007–08, *Parent School Partnerships Initiative* was conducted in response to a recommendation from the Senate Employment, Workplace Relations and Education References Committees report into indigenous education.
- Audit Report No.33 2007–08, *The National Capital Authority's Management of National Assets* was suggested by the Parliamentary Joint Committee on the National Capital and External Territories.

A summary of each audit is presented in Appendix 4.

Contribution to public sector entities

Implementation of recommendations made in audit reports is not mandatory and agencies will therefore consider each recommendation on its merits. A major outcome from our performance audit work is improvement in management and administration of major Australian Government programs brought about by entities' acceptance and implementation of recommendations made in our audit reports. Performance audit reports also provide assurance to the Parliament about the way an area of public administration is being conducted.

During 2007–08, we produced a wide range of performance audits focussed on improvements to public administration. These audits not only had a direct impact on the specific area under review, but also provide opportunities for improvements for the broader public sector. For example Audit Report No. 14 2007–08, *Performance Audit of the Regional Partnerships Program* included recommendations aimed at achieving more effective and accountable governance arrangements for discretionary grants programs that involve Ministers making key decisions about projects which are to receive public funding. The audit reminded agencies of their key responsibility to advise Ministers of the statutory obligations that apply whenever considering whether to spend public money, and identified an opportunity for the financial framework to be improved by requiring the reasons for such decisions to be documented.

A key result of this and other reports focussed on the theme of grants administration, such as Audit Report No. 26 2007–08 *Tasmanian Forest Industry Development and Assistance Programs*, has been to improve grants administration more generally across the Public Sector. These audits have resulted in increased attention to grants programs drawing on the lessons from such audits. To help sustain this impact, our 2008–09 program includes issuing an update of our Better Practice Guide on grants administration.

Other examples involving significant contribution to public administration include Audit Report No. 31 2007–08 *Management of Recruitment in the Australian Public Service* which outlined opportunities to adopt more strategic approaches to recruitment. Audit Report No. 32 2007–08 *Preparation of the Tax Expenditures Statement* identified opportunities for more complete and reliable reporting on the extent of tax concessions and other tax expenditures, with the aim of the Government and the Parliament being better informed about the impact of relief provided from Commonwealth taxes and charges, and being better positioned to make decisions relating to trade-offs between such relief and other Budget priorities.

Agreement to recommendations

Improvements in administration, accountability and better service delivery are more likely to occur if the recommendations in performance audit reports are agreed by the audited entity at the time of the audit, and we make genuine efforts to achieve this result. However, disagreement will occur on some occasions and when this happens, agency comments are included in full in the final report.

For 2007–08, we made 143 recommendations in our audit reports to improve agency performance and accountability. These recommendations are sometimes presented in parts for clarity, such that it is possible to agree with parts of one recommendation and disagree with other parts. Of the 143 recommendations 133, (93 per cent) were fully agreed in all parts. The remaining 10, (7 per cent) were agreed but with some qualification.

This is a slight improvement compared with the 2006–07 result where 92 per cent of our recommendations were fully agreed and 7 per cent were agreed overall, but with some qualification. Two recommendations were not agreed in 2006–07.

Client survey

After each performance audit report is tabled, feedback on the audit process is sought independently from the senior executive responsible for the audited program by means of a survey and an interview with the responsible manager. The completion of the survey is performed by a firm of consultants that is engaged by the ANAO, but is independent of the performance audit teams.

Based on a limited number of responses received for the 2007–08 reporting period⁷ the consultancy firm reported a reduction in our performance compared with the results of the December 2006 survey reported in the 2006–07 Annual Report. In particular, there was a fall in auditees acknowledgment of the value added by ANAO products and services and perceived level of professional knowledge demonstrated by the ANAO audit teams. The results of this survey are being evaluated.

In terms of overall performance, agencies continued to rate our conduct of performance audits positively. Some key results are set out below:

- ◆ 81 per cent of respondents considered that the audit team demonstrated that they had the professional knowledge and audit skills required to conduct the audit; and
- ◆ 96 per cent of respondents valued the independent opinion expressed by the ANAO.

The results of the survey are an important guide to the effectiveness of existing practice and also in the development of new audit practices and approaches. The survey is therefore an important business tool for improving the quality and effectiveness of performance audit products and services.

⁷ These results cover 26 of the 46 audits tabled in 2007–08.

Quality assurance

We continued our program of quality assurance reviews of selected performance audits in 2007–08. The objective of the Quality Assurance Review Program is to confirm performance audits are completed in accordance with the ANAO Auditing Standards and ANAO policy. The review of performance audits tabled in 2007–08 found that, across the audits examined, there was general compliance with these standards although there was room for improvement in documenting the fieldwork phase of performance audits and associated review of that fieldwork.

A peer review arrangement for performance audits involving the ANAO and the New Zealand Audit Office commenced in 2000. This review complements our quality assurance program with two performance audits from each Office reviewed every two years. This arrangement aims to strengthen performance audit practice at both Offices through providing constructive feedback and sharing better practices; this reflects a dual focus of compliance and adding value.

During the year the New Zealand Controller and Auditor-General reported the results of a review of two ANAO audits tabled in 2006–07. He reported that an overall strength of the ANAO, from the performance audits reviewed, is a robust process for conducting performance audits; he also reported good compliance with this process. The suggested areas for enhancement centred on the final presentation and readability of audit reports. These suggestions, together with the quality assurance findings, are taken into account during ongoing review of performance audit practice.

SECTION 4.A
WORLD VISION AUSTRALIA
ANNUAL REPORT 2007-8
(2008 IN REVIEW)

WORLD VISION
AUSTRALIA

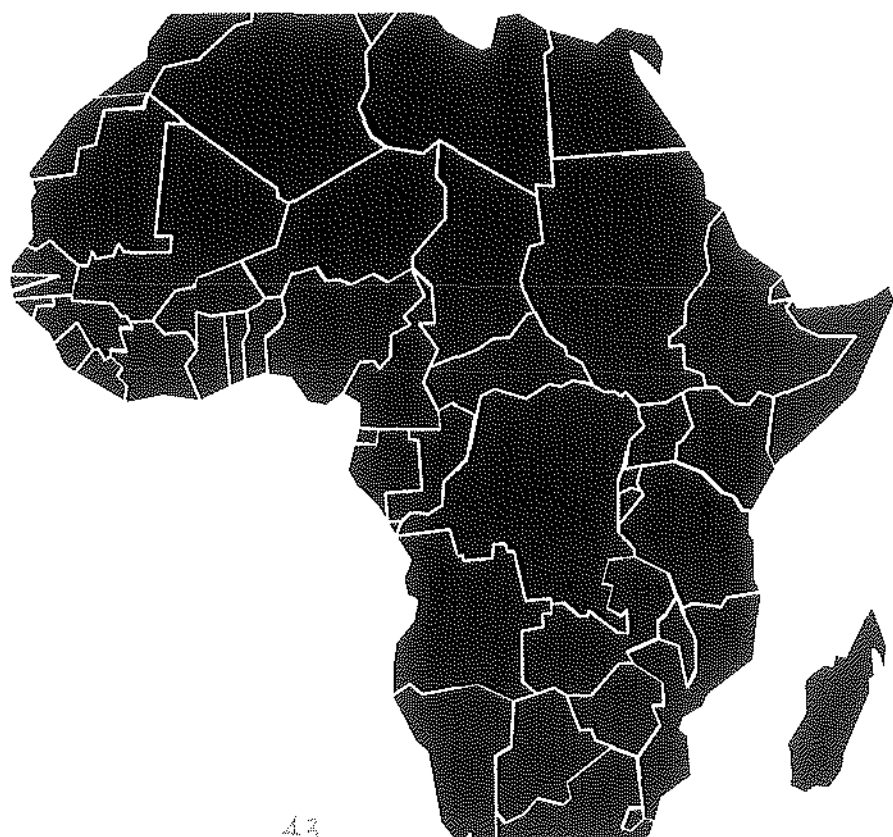
2008

Africa



	2008	2007
Number of people assisted in region	8.2 million	6.7 million
People assisted with emergency relief in region	2.3 million	1.7 million
Number of people receiving food aid (in partnership with UN World Food Programme)	1.2 million	0.5 million
Number of countries	22	26
Total projects in region	392	316
Number of children sponsored in region	188,813	190,778
Number of ADPs supported in region	113 (includes 19 Assessment and Design projects)	111 (includes 26 Assessment and Design projects)
Number of non-ADP projects in region	279 (including AusAID)	209
Number of AusAID projects	33	33

	2008	2007
Total disbursed in region	\$104,487,622	\$106,170,947
	Cash: \$73,820,438	Cash: \$67,830,833
	Food and goods: \$27,990,439	Food and goods: \$36,094,930
	Project design and monitoring: \$2,676,745	Project design and monitoring: \$2,245,183



COUNTRY	No. of projects 2008	No. of projects 2007
Africa (multi country projects)	8	7
East Africa (multi country projects)	4	3
Southern Africa (multi country projects)	5	3
West Africa (multi country projects)	2	1
Angola	Nil	1
Burundi	5	1
Chad	8	9
Democratic Republic of Congo	5	5
Eastern Democratic Republic of Congo	Nil	1
Ethiopia	33	28
Ghana	6	8
Kenya	34	36
Lesotho	15	8
Liberia	1	5
Malawi	22	13
Mauritania	2	2
Mozambique	17	15
Niger	Nil	1
Northern Sudan	19	8
Rwanda	17	16
Senegal	15	7
Sierra Leone	Nil	1
Somalia	16	13
South Africa	6	5
Sudan	17	9
Swaziland	21	10
Tanzania	26	23
Uganda	36	34
Zambia	28	28
Zimbabwe	24	22
TOTAL	392	323

Key development challenges in this region include:

- Extreme poverty, with the largest proportion of people living on less than \$1 a day
- Increasing impact of environmental degradation, extreme weather conditions and climate change
- 50 million children across Africa will be orphaned and vulnerable as a result of disease, conflict and poverty by 2010
- Two-thirds of all people living with HIV reside in sub-Saharan Africa, and 21 million children have lost one or both parents to AIDS

In 2008, we supported programs in Africa focusing on:

- Building stronger communities and enhancing livelihoods
- Peace, justice and governance
- Protection: the child and the community
- Improving health and responding to HIV and AIDS
- Promoting gender equality

Here are some examples of our work in these focus areas during 2008:

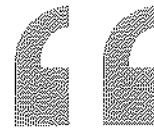
BUILDING STRONGER COMMUNITIES AND ENHANCING LIVELIHOODS

World Vision's **Southern Africa Food and Nutrition Program** is an innovative multi country response to complex food insecurity issues in southern Africa. The program integrates community-based activities into HIV-affected ADPs in **Swaziland, Lesotho and Malawi** to improve the survival and wellbeing of children under five and their families. The focus is on community capacity building to address the underlying causes of child malnutrition. The program promotes maternal health and child care, exclusive breastfeeding, child growth monitoring and improved household diets.

In **West Africa**, we have been involved in a regional **Natural Resource Management Program** which focuses on the connection between improving farmers' livelihoods and the environmental stabilisation needs of countries bordering the Sahara Desert. The program has helped farmers to adapt to and reverse desertification and soil depletion. At an international level we supported the development of national and cross-border alliances to garner improved policy and funding for sustainable farming and reforestation.

In **East Africa**, the **Horn of Africa Pastoralist Livelihoods Initiative** worked specifically to change the attitudes and behaviours of nomadic communities, rather than just implementing new farming techniques. Partner agencies have been trained to work with communities on peace building, nutrition and water and sanitation issues.

A pilot urban initiative focusing on **local economic development** has commenced in the Embo ADP, near Durban in **South Africa**. The initiative offers the community, government, private sector and non-profit organisations an opportunity to work together to encourage sustainable economic growth. The initiative targets systems, rather than just implementing individual projects. A recent participatory appraisal exercise identified the need to link informal economic activity with formal businesses and organisations in the area. The ADP is now facilitating an **Employment and Business Hub** to provide skills training and to serve as an employment agency and business directory.



THE FOCUS IS ON COMMUNITY CAPACITY BUILDING TO ADDRESS THE UNDERLYING CAUSES OF CHILD MALNUTRITION



ABDOU STANDS BY ONE OF HIS ACACIA TREES IN NIGER. ABDOU IS PARTICIPATING IN A WORLD VISION PROJECT AIMED AT REDUCING POVERTY AND DESERTIFICATION THROUGH INTEGRATED AGRO-FORESTRY FARMING SYSTEMS. HE SAYS THE MAIN BENEFITS FOR HIM AND HIS FAMILY FROM THE PROJECT IS THE WOOD HE HAS FOR HIS HOUSE AND IMPROVED MILLET PRODUCTION.



COMMUNITIES HAVE BEEN SUCCESSFUL IN MOBILISING THEIR OWN LABOUR AND RESOURCES TO CONSTRUCT CLASSROOMS AND MATERNITY WARDS



For additional examples, read the following case studies in our 2008 Annual Program Review:

- *Food security and malnutrition in Kenya: Rethinking the role of community-based organisations*
- *Post-conflict recovery: Maximising returnee knowledge, Yambio Rice Revitalisation Project*
- *Turning sponsorship activity into development process: Use of "Most Significant Change" in child sponsorship programs*
- *Carbon trading, community forestry and development: Potential, challenges and the way forward in Ethiopia*

PEACE, JUSTICE AND GOVERNANCE

During 2008, we continued to support the **Citizen Voice and Action** project in **Uganda, Tanzania, Zambia and Kenya** which focuses on social accountability tools for the poor. A recent evaluation of the program in Uganda demonstrated an increased level of awareness amongst citizens about their rights and entitlements. Communities have been successful in mobilising their own labour and resources to construct classrooms and maternity wards. They have also successfully advocated for and received additional teachers and health staff in line with national standards and entitlements.

World Vision Australia, in partnership with World Vision United Kingdom, has supported the development of the **World Vision Kenya advocacy unit**.

For an additional example, read the following case study in our 2008 Annual Program Review:

- *Healing, peace building and reconciliation in Rwanda: Rebuilding resilience and social networks*

PROTECTION: THE CHILD AND THE COMMUNITY

In **Rwanda**, we supported the establishment of community groups to provide for the physical, emotional and developmental needs of orphans and vulnerable children. We also supported a **network of advocates to defend the rights of orphans and vulnerable children**. This project has contributed to a shift in community attitudes towards unaccompanied children, from suspicion and avoidance, to a sense of shared responsibility for the welfare of all children.

Support continued for an **anti-female genital mutilation (FGM)** project in south central **Somalia**. Most girls in Somalia are subjected to some form of FGM, which can result in a lifetime of physical suffering. The project seeks to raise awareness, support alternative income generating activities for those who have traditionally practised circumcision for their livelihoods, provide counselling and referrals for FGM survivors, and to empower men, women, boys and girls to advocate for change.

PROMOTING GENDER EQUALITY

In 2008, World Vision Australia supported a capacity building program in seven African countries to ensure that programs in the region are more actively engaged in working for gender equality. We also supported a number of gender-specific initiatives including reproductive health projects and an **anti-gender-based violence** project in **Burundi**. With Burundi recovering from more than 15 years of civil war, this project aims to break the cycle of violence encountered by women by working closely with men, women and local government to improve the condition and status of women.

IMPROVING HEALTH AND RESPONDING TO HIV AND AIDS

A multi country HIV and AIDS program aims to develop the capacity of communities to more effectively prevent HIV transmission and care for those affected and infected, and to create

strong advocates for the rights of people living with HIV and AIDS. A greater focus on nutrition programming is planned for next year.

Other health initiatives included the **Cahora Bassa Community Health Project** in **Mozambique**. Despite limited health infrastructure, the project is building the capacity of community health councils and their volunteers to work with government health staff to improve the health of local children and families. In taking a broad approach at the community level, the project has been able to reach more people with health programs including immunisation and the integrated management of illnesses such as pneumonia, malaria and diarrhoea.

For an additional example, read the following case study in our 2008 Annual Program Review:

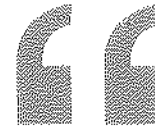
- *The Masaka-Rakai Psychosocial Project: Treating depression in communities affected by HIV and AIDS*

During 2008 World Vision Australia worked with the World Vision International Hope Initiative to develop a resource for World Vision staff to provide an overview of key HIV and AIDS programming considerations within the African context.

Looking back, Looking forward: Lessons learnt from HIV and AIDS Research and Programming in Africa

www.worldvision.com.au/learn/policyandreports/files/HopeInitiativeAfrica.pdf

This resource documents lessons learned from a number of key studies on World Vision operations in Africa and provides recommendations for future HIV programming.



**IN TAKING A
BROAD APPROACH
AT THE COMMUNITY
LEVEL, THE
PROJECT HAS BEEN
ABLE TO REACH
MORE PEOPLE**

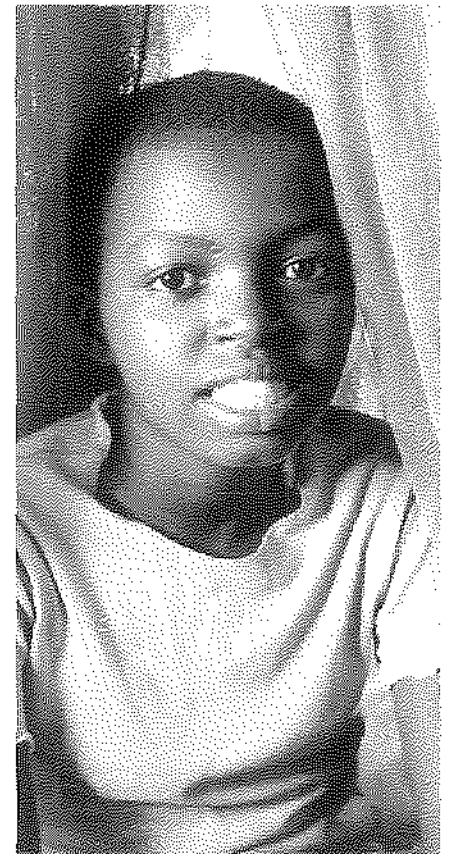


Malaria – preventable and treatable

Like many children in **Tanzania**, 10-year-old Taji has suffered from regular bouts of malaria. Malaria comprises 30 per cent of the disease burden in Tanzania and is the biggest killer of children. In recent years, treatment of malaria in Tanzania has been complicated by a growing resistance to first-line anti-malarial drugs. The greatest success against malaria so far is the protection provided by a simple mosquito net.

Three years ago Taji and her family, who participate in a World Vision Australia-supported child sponsorship program, received mosquito nets for each sister. Since then Taji has not fallen ill and not missed a day of school.

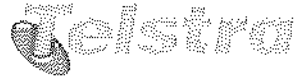
Her mother is extremely relieved that she has not needed to take her daughter to hospital in a long time, and delighted that Taji has the energy to go to school and play with her friends.



SECTION 5.A
TELSTRA
SERVICE PERFORMANCE REPORT MARCH 2009 QUARTER

TELSTRA CORPORATION LIMITED

A.C.N. 051 775 556



TELSTRA SERVICE PERFORMANCE REPORT

March 2009 Quarter

Issue Date: 3 June 2009

Telstra Corporation Limited is Australia's principal telecommunications company. Telstra offers a broad range of telecommunications and information services and is permitted to compete in all telecommunications markets throughout Australia. The Company's principal activities include providing telephone exchange lines to homes and businesses, supplying local and long distance telephone calls in Australia, international calls to and from Australia, supplying mobile telecommunications services and providing a comprehensive range of data, Internet and on-line services and, through its affiliates, pay television. The Company is also the principal provider of directory services in Australia.

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SUMMARY

Telstra delivered strong service results to its customers in the March 2009 quarter as it continues with the largest end to end systems transformation ever undertaken to migrate customers from legacy systems to new systems. However, this has added to the complexity of processes associated with the preparation of this report.

National performance for total activation of services (combined inplace and new) against the CSG Standard was strong with 91% of orders meeting the CSG timeframes. National performance for inplace services, which account for two thirds of all new connections, remained strong at 92% while national performance for activation of new telephone services was strong at 90%. National restoration performance for the March quarter was strong at 90%.

Payphone restoration performance remained stable and strong in urban areas, but declined by 5% and 9% in rural and remote areas respectively. This decline was due to the combined impacts of extreme weather conditions and staff redeployments. However, unlike CSG performance, payphone fault repair performance does not take account of factors that are beyond Telstra's control. Accordingly, Telstra considers its performance was stable and satisfactory in rural areas, and sound in remote areas.

Copies of this report are available from the Telstra Internet site.

<http://www.telstra.com.au/abouttelstra/commitments/service/reports.cfm>

Telstra Service Performance Report – March 2009 Quarter

Table 1: Key results for the March 2009 quarter

Measure	March 2009 Result	Performance Comment
National CSG Activation		
Inplace Service and New Service Activation	91%	Stable and Strong
Inplace Service Activation	92%	Stable and Strong
New Service Activation	90%	Stable and Strong
Urban New Service Activation	90%	Stable and Strong
Major Rural New Service Activation	92%	Stable and Strong
Minor Rural New Service Activation	90%	Stable and Strong
Remote New Service Activation	84%	Stable and Satisfactory
National CSG Restoration		
Restoration	90%	Stable and Strong
Urban Restoration	91%	Stable and Strong
Rural Restoration	90%	Stable and Strong
Remote Restoration	89%	Stable and Satisfactory
National CSG Appointments		
Appointments	97%	Stable and Very Strong
OVERALL CSG PERFORMANCE		STRONG RESULTS
National Payphone Services Performance		
Customer Serviceability	93%	Stable and Strong
Payphone Availability	99%	Stable and Very Strong
Average Hours to clear a Fault	11	Stable and Strong
Trouble Reports per Payphone per Month	0.36	Stable and Strong
Percentage Faults Cleared: Urban	91%	Stable and Strong
Percentage Faults Cleared: Rural	82%	Stable and Satisfactory
Percentage Faults Cleared: Remote	59%	Sound given the impact of extreme weather conditions
OVERALL PAYPHONE SERVICES PERFORMANCE		STRONG RESULTS

1 CSG PERFORMANCE

1.1 Activation

1.1.1 Total Service Activation

National performance for total activation of services (combined in-place and new) against the CSG Standard was strong at 91%.

Table 2 - % New services and in-place services connected within CSG timeframes - Total

Urban, Major Rural, Minor Rural and Remote	March 2009 Qtr
National	91%
QLD	91%
NSW/ACT	91%
VIC	92%
TAS	91%
SA	90%
NT	90%
WA	91%

1.1.2 In-place Service Activation

National performance for in-place services against the CSG Standard was strong at 92%.

Table 3 - % In-place services connected within CSG timeframes - Total

Urban, Major Rural, Minor Rural and Remote	March 2009 Qtr
National	92%
QLD	92%
NSW/ACT	92%
VIC	93%
TAS	92%
SA	91%
NT	91%
WA	91%

1.1.3 New Service Activation

National

National new service provisioning performance against the CSG Standard was strong at 90%.

Table 4 - % New services connected within CSG timeframes – Total

	Total
Urban, Major Rural, Minor Rural and Remote	March 2009 Qtr
National	90%
QLD	91%
NSW/ACT	90%
VIC	92%
TAS	90%
SA	89%
NT	87%
WA	89%

Urban

National urban new service provisioning performance against the CSG Standard was strong at 90%.

Table 5 - % New services connected within CSG timeframes – Urban

	Total
Urban	March 2009 Qtr
National	90%
QLD	90%
NSW/ACT	89%
VIC	93%
TAS	89%
SA	89%
NT	87%
WA	89%

Major Rural

National major rural new service provisioning performance against the CSG Standard was strong at 92%.

Table 6 - % New services connected within CSG timeframes – Major Rural

	Total
Major Rural	March 2009 Qtr
National	92%
QLD	93%
NSW/ACT	92%
VIC	94%
TAS	92%
SA	90%
NT	90%
WA	92%

Minor Rural

National minor rural new service provisioning performance against the CSG Standard was strong at 90%.

Table 7 - % New services connected within CSG timeframes – Minor Rural

	Total
Minor Rural	March 2009 Qtr
National	90%
QLD	90%
NSW/ACT	90%
VIC	90%
TAS	90%
SA	91%
NT	93%
WA	88%

Remote

National remote new service provisioning performance against the CSG Standard was satisfactory at 84%.

Table 8 - % New services connected within CSG timeframes – Remote

Remote* (%)	Total
	March 2009 Qtr
National	84%
QLD	85%
NSW/ACT	87%
VIC	100%
SA	88%
NT	82%
WA	83%

*There are no service areas classified as remote for CSG purposes in Tasmania.

1.2 Restoration

National

National performance for fault restoration against the CSG Standard was strong at 90%.

Table 9 - % Faults restored within CSG timeframes - Total

Urban, Rural and Remote	March 2009 Qtr
National	90%
QLD	90%
NSW/ACT	91%
Vic	91%
TAS	90%
SA	90%
NT	89%
WA	88%

Urban

National performance for fault restoration in urban areas was strong at 91%.

Table 10 - % Faults restored within CSG timeframes - Urban

Urban	March 2009 Qtr
National	91%
QLD	91%
NSW/ACT	91%
Vic	91%
TAS	88%
SA	89%
NT	89%
WA	89%

Rural

National performance for fault restoration in rural areas was strong at 90%.

Table 11 - % Faults restored within CSG timeframes - Rural

Rural	March 2009 Qtr
National	90%
QLD	89%
NSW/ACT	91%
Vic	92%
TAS	91%
SA	91%
NT	88%
WA	84%

Remote

National performance for fault restoration in remote areas was satisfactory at 89%.

Table 12 - % Faults restored within CSG timeframes – Remote

Telstra Service Performance Report – March 2009 Quarter

Remote*	March 2009 Qtr
National	89%
QLD	89%
NSW/ACT	93%
VIC	100%
SA	98%
NT	87%
WA	88%

**There are no service areas classified as remote for CSG purposes in Tasmania.*

1.3 Service Disruption Declarations

Telstra has reported performance figures that take into account factors that are beyond its control and for which it has claimed additional time to provision services and repair faults, under the exemption provisions of the CSG Standard.

There were 15 CSG exemptions declared in the March 2009 quarter as a result of extreme weather conditions. CSG exemptions affected 5.91 per cent of Telstra's CSG eligible orders for the quarter. CSG exemptions were applied in Queensland, New South Wales, Victoria and Western Australia.

Copies of the Public Notices containing details of individual exemptions can be found on Telstra's Internet site at:

<http://www.telstra.com.au/msd/index.cfm>

1.4 Glossary of Terms – CSG

1.4.1 Activation

Total Activation

Total activation represents the provision of both new services and in-place services.

New Service

A new service connection is the initial connection of service to the customer's premises involving the provision of a new network access line from the local telephone exchange to the network boundary.

Inplace Service

An in-place service connection means the connection of a standard telephone service at a site where a previous working standard telephone service has been cancelled and is available for automatic re-connection (or re-activation) by Telstra. In such a situation, Telstra is not required to do any other additional electrical or physical connection work between the Network Boundary at the said site and Telstra's local telephone exchange nor any work at that exchange.

Where the request for service is to a site where 'Inplace' conditions are met Telstra will aim to supply a standard telephone service within 2 working days of the request.

Definition of Urban, Major Rural, Minor Rural and Remote for provisioning performance of new services against the CSG Standard

LOCATION	DEFINITION OF LOCATION	CONNECTION TIME	
		AVAILABLE INFRASTRUCTURE	NO AVAILABLE INFRASTRUCTURE
Urban	Areas in Australia with a population greater than 10,000 people	Within 5 working days of customer request	Within 1 month of customer request
Major Rural	Areas in Australia with a population between 2,500 and 10,000 people	Within 10 working days of customer request	Within 1 month of customer request
Minor Rural	Areas in Australia with a population between 200 and 2,500 people	Within 10 working days of customer request	Within 1 month of customer request
Remote	Areas in Australia with a population less than 200 people	Within 15 working days of customer request	Within 1 month of customer request

Demographic Categories

The classification of customers into urban, major rural, minor rural and remote location categories for this report is based upon the exchange service area (ESA) serving a particular customer and the population of the largest township/community grouping within that ESA. Telstra uses population data from the latest Australian Bureau of Statistics Census (currently the 2006 census) as the basis for determining the service location category of townships and communities throughout Australia.

Reporting Principles

For those areas where a CSG Exemption Declaration has been made, the timeframes for meeting of the CSG have been extended to the termination of the exemption.

1.4.2 Restoration

Standard Hours of Business

Telstra's standard hours of business are between 8.00 am and 5.00 pm Monday to Friday, excluding gazetted public holidays. Telstra will provide a 24-hour fault reporting service for the lodgement of telephone service faults, but maintenance and repair will normally be confined to Telstra's standard hours of business. In addition, faults reported after 5.00 pm are treated as being received on the following working day.

Maintenance Commitments

Telstra aims to repair faults that occur on the telephone service and to restore the service to full working order, within standard business hours, unless the customer has entered a contract for alternative maintenance arrangements.

Restoration Standards

Telstra will aim to repair services by the date agreed with the customer and will comply with the CSG Standard as specified below:

- in urban areas - by the end of first full working day after being notified of a fault (i.e. COB +1 working day),
- in rural areas - by the end of the second full working day after being notified of a fault (i.e. COB +2 working days),
- in remote areas - by the end of the third full working day after being notified of a fault (i.e. COB +3 working days), where COB means close of business.

Fault statistics do not include working services (faults where the customer is still able to use the phone), customer (premises) equipment and wiring, or situations where customers did not keep their appointments (not allowing Telstra to detect the cause of the fault). Faults subjected to force majeure conditions are included in the measures.

Demographic Categories

The classification of customers into urban, major rural, minor rural and remote location categories for this report is based upon the exchange service area (ESA) serving a particular customer and the population of the largest township/community grouping within that ESA. Telstra uses population data from the latest Australian Bureau of Statistics Census (currently the 2006 census) as the basis for determining the service location category of townships and communities throughout Australia.

Reporting Principles

For those areas where an exemption has been made, the timeframes for meeting of the CSG have been extended to the termination of the declared exemption period.

1.4.3 Appointment Standards

Telstra will meet the service appointment by the date and time window agreed with the customer and will comply with the CSG Standard as specified.