



Project:	Service Performance Reporting	Meeting:	AASB November 2025 (M216)
Topic:	Project Update - Progress against the Project Plan	Agenda Item:	11.3
		Date:	3 November 2025
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		Decision-Making:	Low
		Project Status:	Decide next steps

Objective of this paper

- 1 The objective of this paper is to present the Board with an update on the Service Performance Reporting (SPR) project by comparing progress to date against the Project Plan, as input to the Board's discussion of the project's next step, which is the subject of Agenda Paper 11.0.

Background¹

- 2 At its March 2024 meeting ([M201](#)), the Board approved the [SPR Project Plan](#), which included a list of key milestones together with their related broad approaches, activities and timeframes.

Summary of progress to date and outstanding matters

- 3 Since being implemented, the project has reached a number of important milestones. These include the development of a comprehensive Staff Working Draft of SPR principles and related guidance (Agenda Paper 11.5) for discussion with an SPR Project Advisory Panel (SPR PAP), establishment of the SPR PAP, holding of two meetings with the SPR PAP (the insights from which are outlined in Agenda Paper 11.2), and commissioning and completing multiple external research projects to provide evidence on current practices, user needs and cost-benefit considerations (as outlined in Agenda Paper 11.3). Appendix A, [Table A1 Update – Key milestones and activities](#), provides a detailed update on progress to date, focusing on a comparison of actual versus planned activities.
- 4 Overall progress has been slower than originally anticipated due to a combination of factors, primarily relating to staffing resources and competing priorities. Despite the implementation of mitigation strategies, several risks to the timely completion of the project originally identified in the Project Plan

¹ A more extensive background to the project is provided in the Cover Memo (Agenda Paper 11.0).

have materialised or increased significantly, as detailed in Appendix A, [Table A2 Update - Risks and mitigation strategies](#).

- 5 As is evident from [Appendix A Table A1](#) there are several key milestones that have not yet been fully addressed.
- 6 Subject to the Board's decision about the next steps in Agenda Paper 11.0 (paragraphs 20-22), staff will develop a revised Project Plan for the Board's consideration in a future meeting.

Appendix A Details of progress to date

Table A1 Update – Key milestones and activities²

Key milestone	Planned Timeframe (Months)	Broad approach ⁷	Activities	Progress on activities to date
Deliberations on key matters:⁸				
1. A working definition of 'service' <i>Target: Board</i>	1 During the development of any draft pronouncement	Develop a working definition of 'service', to help ensure a common understanding of the project scope and to help clarify the relationship between the SPR project and the Sustainability Reporting and Management Commentary projects (see key matters 3 and 8 below). Build on the early thoughts on this matter summarised in paragraph 15 below. [Staff Note: paragraph 15 discusses how specialist knowledge from those experienced in non-financial reporting could be obtained] Exclude non-service aspects of performance, including 'fundraising' and 'management expense' performance from the scope of the project.	INITIALLY: Staff analysis of relevant existing SPR and related frameworks' explicit and implicit definitions/descriptions of 'service'. Staff develop a recommended working definition of 'service'. SUBSEQUENTLY: Staff analysis and recommendation of the need for a formal definition/description of 'service' in any pronouncement that might be developed.	✓ COMPLETED: See Agenda Paper 3.1 of the 26 June 2024 AASB meeting, at which the Board adopted the working definition of: "Service is goods or services, including funding activities, provided by the entity to recipients (other than the entity itself) in pursuit of the entity's objectives." The working definition has been included in the Staff Working Draft (see Key milestone 2) for initial consultation with targeted stakeholders. ✗ NOT YET ADDRESSED
2. A first working draft of generic and scalable SPR principles as a basis for initial consultation with stakeholders <i>Target: Board/stakeholders</i>	2 – 4 (to be revisited as often as necessary depending on the outcome of deliberations on later key matters)	Develop a first draft of SPR principles using NZ PBE FRS 48 Service Performance Reporting as the primary point of reference, supplemented by insights from other SPR and related frameworks. ⁹ Use the draft principles as a basis for consultation with stakeholders, including in relation to key matters 3 to 10. [It is notable that NZ PBE FRS 48 is sector neutral (see key matter 4), tier neutral (see key matter 5), mandatory (see key matter 6) and regards SPR as within the scope of GPFR	In light of the feedback received on ED 270 and ITC 46, staff update earlier work on the demand for SPR, including understanding user needs and costs and benefits (consistent with the comment on page 8 of the Feedback Statement on Agenda Consultation ITC 46 AASB Agenda Consultation 2022-2026 that "The project should investigate the demand for service performance reporting, including understanding user needs and costs and benefits, ..." This would include a review of the current academic literature (including, for example, that listed in footnote 15 to paragraph 17(d) below). Within that context, staff prepare a paragraph-by-paragraph analysis of and recommendations about NZ PBE FRS 48's	✓ COMPLETED Earlier work on the demand for SPR in the NFP private sector has been updated through the AASB-commissioned research – see the staff analysis of that research in Agenda Paper 11.2 of this meeting. The Board considered a working draft of SPR principles and related guidance based on NZ PBE FRS 48 (Agenda Paper 7.1) and a staff analysis of other SPR-related frameworks (Agenda Paper 7.2) at its 5–6 September 2024 meeting. Based on the Board's discussion at that meeting, staff developed a Staff Working Draft (Agenda Paper 11.5)

² Table A2 extracts information from the SPR [Project Plan](#), mainly from the 'Key Milestones' Table. It refers to paragraphs included in the SPR Project Plan that have not been carried over. Staff have provided brief summaries of these paragraphs in red. Footnotes contained in the original document have also not been carried over to ensure readability.

Key milestone	Planned Timeframe (Months)	Broad approach ⁷	Activities	Progress on activities to date
		and subject to assurance (see key matter 7)).	suitability in an Australian context. Staff give broad consideration to other SPR frameworks and recommendations that could enhance/adapt the NZ principles for the Australian context.	that was subsequently discussed at the SPR Project Advisory Panel meetings (3 December 2024 and 26 August 2025)
3. The relationship of the first working draft SPR principles developed under key matter 2 to Sustainability Reporting <i>Target: Board</i>	5 and ongoing	Clarify the relationship between SPR and Sustainability Reporting. On the working assumption that SPR can be distinguished from Sustainability Reporting, work alongside the Sustainability Reporting project throughout the SPR project with the aim of identifying any overlaps and keeping each other informed to avoid duplication and inconsistencies.	Staff assess and continue to monitor developments in the Sustainability Reporting project to identify any overlap with or potential inconsistencies between the emerging disclosure proposals from both projects.	 ONGOING To date: Staff continue monitoring developments in the Sustainability Reporting project, including a potential project listed in the IPSASB Work Program Consultation 2024 - 2028 (p. 13, see Agenda Paper 11.0, Appendix B)
4. The public sector vs private sector NFP issue <i>Target: Board</i>	5 – 12	Consistent with adopting NZ PBE FRS 48 as the primary point of reference, initially make a working assumption that a sector-neutral SPR pronouncement will be developed. Depending on the outcome of this key matter, in due course, consider the need for sector-specific guidance.	Staff investigate the differences between the SPR experience/frameworks across the sectors and assess the degree of inter-transferability by, for example: (a) comparing and analysing Australian state, territory and local governments' public sector SPR frameworks (b) updating consideration of current practice in both sectors. Staff finalise an investigation into whether there is any direct or indirect implementation experience with IPSASB RPG 3 <i>Reporting Service Performance Information</i> in private or public sectors in other jurisdictions. Staff undertake targeted outreach with stakeholders specifically on views about differences and similarities of SPR issues between the sectors. Consistent with the AASB Evidence-Informed Standard-Setting Framework , staff will monitor academic research work related to the investigations about the NZ implementation experience in applying common principles in both sectors. Research centre staff will also engage in research activities, including collaborating with academic researchers, to understand the appropriateness	 NOT YET ADDRESSED Research to date has not addressed • Comparison and analysis of Australian state, territory and local government SPR frameworks. • Update of current practice in the public sector.  COMPLETED AASB-commissioned research project 4 by WSU has investigated current SPR practice in the NFP private sector.  NOT YET ADDRESSED Investigation of take up of IPSASB RPG 3.  COMPLETED Discussed during SPR PAP meetings (as reported in Agenda Paper 11.1 [Main Insight 4] of this meeting).  ONGOING Staff have been monitoring and continue to monitor developments in NZ, including the outcome of consultations by the XRB in NZ through its Consultation Paper Reporting and Assurance of Service Performance Information (June 2025, focused on the

Key milestone	Planned Timeframe (Months)	Broad approach ⁷	Activities	Progress on activities to date
			of the first working draft of sector-neutral SPR principles developed under key matter 2 and alternative ways of expressing them. The sector-neutral working assumption will be reassessed based on insights from the above activities prior to issuing the next due process document. See also paragraphs 23 and 24 below. [Staff Note: Paragraph 23 includes a discussion on the rebuttable working assumption to develop a single SPR pronouncement for NFP private sector and public sector entities. Paragraph 24 refers to the AASB commissioned research about SPR public and private sector considerations]	NFP private sector) and the NZ Parliament's Finance and Expenditure inquiry into performance reporting and public accountability.
5. Differential reporting <i>Target: Board</i>	5 – 12	Consistent with adopting NZ PBE FRS 48 as the primary point of reference, initially make a working assumption that a Tier-neutral SPR pronouncement will be developed, with an initial focus on Tiers 1 and 2.	Staff will monitor relevant academic research work related to the NZ implementation experience in all three Tiers. Research centre staff will also engage in research activities, including collaborating with academic researchers to understand the appropriateness of the first working draft of Tiers 1/2-neutral SPR principles developed under key matter 2.	 ONGOING To date, AASB-commissioned research project 4 by Monash analysed NZ implementation experience with tier-neutrality. The issue has also been discussed with the SPR PAP – their views are included in Agenda Paper 11.1 of this meeting.
6. Mandatory vs voluntary <i>Target: Board</i>	5 – 14	The mandatory vs voluntary issue will be resolved as the project progresses and more insights are gained, which is consistent with the comment on page 8 of the Feedback Statement on Agenda Consultation ITC 46 AASB Agenda Consultation 2022-2026 that “The project should investigate the demand for service performance reporting, including understanding user needs and costs and benefits, before committing to developing a standard.”¹⁰ It is not necessary to resolve this key matter early because the same level of rigour will be applied throughout the project irrespective of whether a mandatory or voluntary pronouncement is to be issued.	Consistent with the AASB Evidence-Informed Standard-Setting Framework, staff may also engage in research activities such as collaborating with academic researchers and engaging in research that updates the knowledge base on the demand for a mandatory SPR pronouncement, including understanding user needs and costs and benefits primarily focusing on the first working draft of sector-and Tiers 1/2-neutral SPR principles based primarily on NZ PBE FRS 48 (derived from deliberations on key matters 2, 4 and 5). This will also include targeted consultation/ field testing of alternative possible approaches to articulating SPR principles that might emerge from earlier deliberations and outreach. Depending on the outcome of that targeted consultation, assess different approaches to mitigating any remaining concerns about undue costs of implementing a mandatory pronouncement, including relief being provided through one or more of: (a) differential reporting between Tiers 1 and 2 (and 3) (which is linked to key matter 5 above)	 ONGOING To date, AASB-commissioned research project 4 by Monash University and Western Sydney University (WSU) and research project 5 by Auckland University of Technology and Western Sydney University analysed costs-benefits and considered the mandatory vs voluntary issue (see staff analysis of the research in Agenda Paper 11.2 of this meeting and the research reports in Agenda Paper 11.7). Targeted consultation, primarily through the SPR PAP has also provided insights into the issue (see the staff paper summarising the insights from the SPR PAP in Agenda paper 11.1, Main Insight 6).

Key milestone	Planned Timeframe (Months)	Broad approach ⁷	Activities	Progress on activities to date
			(b) entity-specific relief through an undue cost or effort criterion (as also contemplated as part of key matter 5 above) (c) phased adoption (d) extended transition period, with early adoption allowed.	
			Depending on the outcome of that assessment, assess the relative merits of developing a mandatory or voluntary pronouncement.	 NOT YET ADDRESSED Some insights have been provided by the AASB-commissioned research and some SPR PAP members, including views on voluntary vs mandatory adoption. For mandatory adoption, a phased and tiered approach is advocated, including proportionality considerations (see Agenda Papers 11.1 and 11.2 of this meeting). The Board has not been asked to assess the relative merits of developing a mandatory or voluntary pronouncement to date – the focus has been on the costs vs benefits of SPR and possible acceptable generic and scalable principles.
7. Assess the relationship of service performance information to GPFS/GPFR and assurance <i>Target: Board</i>	15 – 16	Determine these relationships as the project progresses and more insights are gained, in conjunction with the: NFP Conceptual Framework ¹¹ and Management Commentary projects; and AUASB. ¹²	See paragraph 30(a) and (d) below. <i>[Staff note: paragraphs 30(a) and (d) of the SPR Project Plan refer to the cross-cutting projects of the AASB NFP Conceptual Framework project and the Management Commentary project]</i> See paragraphs 28 and 29 below. <i>[Staff note: paragraphs 28 and 29 refer to assurance implications and AASB staff liaising with AUASB staff]</i>	 ONGOING The matter was discussed at the 2 nd SPR PAP meeting (as noted in Agenda Paper 11.1, Main Insight 3). Some of the AASB-commissioned research reports have also addressed the relationship of SPR to audit (as noted in Agenda Paper 11.2 of this meeting)
8. The relationship with other projects (Management Commentary, NFP Conceptual Framework, NFP Financial Reporting Framework, IASB's Primary Financial Statements) <i>Target: Board</i>	Throughout	Monitor the projects to identify any cross-cutting issues (see paragraph 30 below) and keep each other informed. Address cross-cutting issues as they arise.	See 'cross-cutting projects' discussed in paragraph 30 below. <i>[Staff note: paragraph 30 refers to the cross-cutting projects listed in the first column]</i>	 ONGOING Limited discussions addressed matters relating to the qualitative characteristics of the Conceptual framework at the 2 nd SPR PAP meeting (as noted in Agenda Paper 11.1, Main Insight 3). The relationship with the following projects has not yet been considered: • Management commentary • NFP Financial Reporting Framework

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				IASB Primary Financial Statements project
9. AASB's role <i>Target: Board</i>	Throughout	AASB play a leading role in developing a draft due process document.	Collaborate with other regulators and relevant stakeholders throughout the project (see paragraph 19 below).¹³ [Staff note: paragraph 19 is under the heading 'Stakeholder engagement and communication'.	 ONGOING The project is progressing on the working assumption that the AASB has a role to play in the SPR space to the extent service performance information is integral to an understanding of financial information in general purpose financial reports. The SPR PAP has discussed the issue – see discussion in Agenda Paper 11.1.
10. The next due process document <i>Target: Board</i>	17	Subject to the outcome of deliberations on key matter 9, decide on the next due process document.	Engage with stakeholders throughout the project to help assess whether the project should continue and, if so, whether the next due process document should be a Research Report, Discussion Paper, Invitation to Comment or Exposure Draft. (Depending on the outcome of engagement with stakeholders, it is conceivable that the next due process document could be NZ PBE FRS 48 issued as an Invitation to Comment or even an Exposure Draft with a description of how it could be adapted to the Australian context.)	 NOT YET ADDRESSED This key matter is subject to the outcome of key matter 9, which is currently ongoing. It is also pending the Board's decision of Agenda Paper 11.0 of this meeting

Table A2: Update - Risks and mitigation strategies³

Originally identified constraints/risks that have materialised	Planned mitigation strategies	Residual Risk (per Project Plan)	Staff comment and update
Change in perceived project priority due to competing priorities	Keeping informed of cross-cutting projects Continually assess project priorities	Moderate	Following finalisation of the Project Plan, staff resources originally allocated to the SPR project were redirected to higher-priority initiatives. Given the Board's other current projects and ongoing limited resources, this risk is likely to continue and staff now assess it as High .
Retaining and attracting project staff and other human resourcing	Securing sufficient staff and other contacts with the relevant level of expertise.	Moderate	Originally planned staff availability was affected by the need to support other projects, contributing to delays. Attempts to supplement staff resources through a tender process were unsuccessful. Staff assess that this risk is likely to continue at least in the short term and now assess it as High .
Staff resourcing changeover/turnover	Detailed project planning and documentation for managed handovers.	Low	Unanticipated changes in staffing have further impacted continuity and delivery timelines. There is no reason to expect that project staff turnover will be high and therefore staff assess the ongoing risk as Low.
Originally identified constraints/risks that have not materialised but are now at a greater risk of materialising	Planned mitigation strategies	Residual Risk (per Project Plan)	Staff comment and update
Timing of international developments (which will help inform and provide insights to the SPR project) might not coincide with the timing of the different stages of the SPR project. The timing and outcomes of international	Monitor international developments throughout the project	Low	As noted in Table A2 below, staff are continuing to monitor international developments and considering what implications they might have for the project. Appendix B of Agenda Paper 11.0 of this meeting provides a summary of recent international SPR developments.

³ This table does not list all the risks because staff have assessed that they either have not materialised or increased significantly. They include low engagement with appropriate stakeholders and interdependency with other AASB projects.

developments might cause a rethink of SPR work.			In light of those developments, staff assess that the risk of those developments causing a rethink of SPR work is now Moderate .
Unexpected feedback/intractable issues causing delay	• Ongoing communication and liaison with other regulators that are, or have potential to be, active in this area • Adoption of well-informed working assumptions on key matters at appropriate times, informed by the type of academic research anticipated in paragraph 17(e) of the Project Plan about alternative ways of expressing SPR principles • Early engagement with stakeholders to ensure, for example, sector neutrality, tier neutrality, scope of GPFS/GPFR and assurance, and mandatory vs voluntary issues are fully deliberated on and any stakeholder concerns addressed • Periodic review of working assumptions (e.g. sector neutrality, tier neutrality) in light of new insights gained as the project progresses • Timely outreach on key proposals and publications to identify and manage issues early.	Moderate	As evident from Agenda Papers 11.1 and 11.2, activities to date have provided significant feedback and insights on the key issues. Although mixed, with strong views expressed, none of the feedback to date has been unexpected. Furthermore, there is insufficient information at this stage to ascertain whether any of the issues have become intractable. Staff are continuing to gather feedback and identify the key issues. Staff continue to assess this risk as Moderate but note that the risk could move to High if acceptable generic and scalable SPR principles are found to be elusive, and alternative suitable approaches are unacceptable. A mitigating factor would be a voluntary pronouncement, which may drop the risk to Low. That is unlikely to be known until a broad consultation process is undertaken.