



NSW Treasury
NSW Government

26 July 2024

Online submission at: <https://www.haveyoursay.nsw.gov.au/performance-and-wellbeing>

Re: Consultation on the Draft NSW Performance & Wellbeing Framework

Thank you for the opportunity to provide a submission regarding the consultation on the NSW Performance & Wellbeing Framework.

The Southern Sydney Regional Organisation of Councils Inc (SSROC) is an association of twelve local councils in the area south of Sydney Harbour, covering central, inner west, eastern and southern Sydney. SSROC acknowledges the traditional custodians of the land on which we work and live, the peoples of the Darug, Dharawal and Eora Nations.

SSROC provides a forum for the exchange of ideas between our member councils, and an interface between governments, other councils and key bodies on issues of common interest. Together, our member councils cover a population of about 1.8 million, one third of the population of Sydney, including Australia's most densely populated suburbs. SSROC seeks to advocate for the needs of our member councils and bring a regional perspective to the issues raised.

1 Understanding

Background

The NSW Performance and Wellbeing Framework is being developed to measure and report on the performance of NSW Government services, and the quality of life for the people of New South Wales.

The Performance and Wellbeing Consultation Paper was released as part of the NSW Budget 2024-25. The paper includes a Performance and Wellbeing Framework to show progress on long-term reform plans to build a better New South Wales.

The NSW Government is seeking feedback on the proposed Performance and Wellbeing themes, outcomes, and indicators as the Government intends to introduce the Framework from 2025-26. Addressing the big challenges facing NSW will take time and needs to be informed by the right data, which we do not have and need to fix.

The consultation paper begins the consultation process for the Performance and Wellbeing Framework. It is based on the principle that what gets measured, gets done.

Governments have heavily relied on indicators of economic activity, such as production, employment and income to measure performance. These are important, but ultimately not sufficient. They must also demonstrate movement towards social goals.

The NSW Government is seeking to create indicators that reflect our values and priorities.



The intention is that matching Government expenditure with indicators will ensure the people of NSW have clarity on the performance of the public services they rely on.

The Australian Government and the Organisation for Economic Co-operation and Development have created similar frameworks to measure and report wellbeing. The NSW Government will collaborate with the Australian Government on this Framework to advance shared goals.

The Performance and Wellbeing Framework will replace the previous Government's Outcomes Statement.

The Government referred the new framework to Parliament's Public Accountability Committee for a full inquiry as the framework is developed.

Overview

The framework identifies eight wellbeing themes

1. Healthy — good physical and mental health
2. Skilled — realising potential through training and education at any age
3. Prosperous — a dynamic and resilient economy that benefits everyone
4. Housed — residents and families have stable living conditions
5. Secure — people are safe at home and resilient to natural disasters and emergencies
6. Community — being with family, friends and community, and promotion of recreation, diversity and culture
7. Connected — access to government services, reliable transport and digital technology
8. Sustainable — environment and natural resources are managed responsibly

The NSW Performance and Wellbeing Framework aims to:

- Provide improved 'line of sight' for monitoring performance by more explicitly linking the government's objectives with the results and impact achieved.
- Reflect the government's priorities, emphasising state responsibility across key service delivery areas such as health, education, transport and housing.
- Embed wellbeing considerations in advice to government, supporting improvements in resources allocation, decision making, and public accountability.
- Work alongside the Commonwealth's 'Measuring What Matters' statement, together with similar tools used in other states and territories, and in similar jurisdictions around the world.

2 SSROC General Feedback

SSROC welcomes and fully supports the development of a new Performance and Wellbeing Framework as part of the NSW Government's budget papers to improve transparency and accountability along with driving positive social outcomes.



In terms of good economic management, fiscal sustainability, a wellbeing approach can be an efficient and effective way to run a Budget because it should lead to more synergies and thinking about working across boundaries.

It is a more holistic approach to government decision-making, which means we have to come up with systems for breaking down silos in departments and across levels of government to achieve coordination and better outcomes.

SSROC concurs that 'being up-front and honest about the challenges means providing genuine data that's transparent, reliable and accessible to the people of NSW.'¹

Recently the Commonwealth sought consultation on the National Urban Policy, which helped to highlight the importance of place. This also reveals a key area for improvement for the framework.

Recommendations

Potentially the Performance and Wellbeing Framework could usefully include a ninth place-based theme. It could simply be entitled: **Places** - *No-one and no place left behind*.

It is only in a place that wellbeing moves from a concept to a meaningful experience for NSW citizens. It is places and communities that face the challenges of housing affordability, productivity, social cohesion, disaster resilience and climate action. As Government investments and resource allocations for services all take on place-based expressions it is important to give this more explicit articulation as an adjunct to the Budget.

It is in *places* and communities that accountability for government actions and outcomes is expressed through the NSW electoral system functionally based around their geographic electorates.

Housing growth, the Government's main priority and challenge, is at its heart place-based.

Creating communities with equitable access to infrastructure, education, jobs and cultural activities must be considered in the context of place. Through place-based planning we will increase the availability of housing that is well located, well designed, accessible and affordable so everyone can feel safe and secure. As our communities grow and change, our urban and non-urban spaces should adapt to meet people's needs. Resource allocation decisions should transparently follow.

This theme is also identified to support the achievement of the liveable, equitable and productive goals and would therefore be supported by its own set of theme outcomes, indicators and metrics.

This ninth theme will help to better incorporate the spatial dimension of the other themes of wellbeing and performance. This will ensure that the frameworks data is useful and well used by internal and external stakeholders, planners and investors and funders.

Over time, the adoption of this place-based perspective will require the other themed metrics (such as prosperous and sustainable) all to be disaggregated by place (preferably by suburb) to inform assessments of the effectiveness of the measures employed to improve wellbeing and performance more locally.

More formal recognition of place would add value and better articulation of regional perspectives

¹ <https://www.sheppnews.com.au/national/nsw-to-add-wellbeing-framework-to-budget-papers/> NSW Finance Minister, Ms Houssos

It would enable the framework to highlight the role of local government in placemaking and service delivery. It will enable more emphasis to be attributed to identifying regional needs, issues and collaborative solutions. All of the key national and state challenges – including housing affordability, productivity, circular economy, social cohesion, disaster resilience and climate action – require coordination between local, regional and statewide responses.

Sustainable waste management is a good example of the urgent need for regional solutions. And what gets measured matters. Population growth and increasing housing will inevitably also increase waste generation into a waste management system that is already operating at close to capacity, and will exceed capacity by 2030 when landfills will be full. SSROC has found that strategic waste management and circular economy place based solutions will need a coherent regional approach and specific State strategy to be sustainable, efficient and effective. Robust coordinated regional responses, strategies and investment are critical to meeting local, state and national government objectives and successfully developing market-based responses that sustain people's welfare and wellbeing. Accordingly, one of the Place or Sustainable outcomes should become *sustainable waste management*.

New indicators for the Housed theme

Arguably the *Housed* theme should include an outcome to stabilise runaway house-price growth. Current price growth is unsustainable. Housing is more than a house. While it has become both a wealth creator for some, house-price growth has created a divide playing out in our cities and urban centres that threatens social cohesion and intergeneration equity as homelessness and rental and mortgage housing stress grow in response. Effective solutions will require concerted coordinated cross-portfolio actions driven by policy.

Housing rental and mortgage stress measures and metrics

With NSW in the grip of chronic housing supply and housing affordability crises, and the NSW Government responsible for delivering greater housing supply under the National Housing Accord to improve housing affordability, the housing themed metrics need to include additional measures and metrics of housing rental and mortgage stress across the community. This will also help councils to shape and collaborate with local housing strategies implemented through the planning system.

Affordable rental housing measures and metrics

The chronic and urgent nature of the housing affordability crisis facing NSW (and Australia) requires continuous, stable, long-term investment in new social and affordable housing supply. The draft framework should include a new outcome that supports the role of affordable rental housing in resolving people's housing needs and how the State planning systems should work to support the growth of affordable rental housing through the adoption of mandatory inclusionary zoning. Counting the amount of affordable housing system is a key part of this response, in a similar way social housing dwellings are proposed to be counted in the Framework.

3 Conclusion

Thank you for the opportunity to provide a submission regarding the consultation on the Draft NSW Performance & Wellbeing Framework. SSROC warmly welcomes the development of a comprehensive and coherent Performance & Wellbeing framework that links and speaks to a similar national framework.



It is also important that it link to the local level where services and infrastructure are used and wellbeing is experienced. It is place and on country that the impacts and outcomes come together and reinforced dynamically, both positively and negatively.

SSROC member councils cover a large part of Greater Sydney and have a direct interest in supporting and advocating for integrated urban policy to support strategic planning. Our councils pride themselves on providing orderly, well considered place-based planning for their communities. This submission advocates for this to be supported by a new theme and some additional outcome measures and metrics in the Performance & Wellbeing Framework.

In order to make this submission within the prescribed timeframe, it has not been possible for it to be reviewed by councils or to be endorsed by a formal meeting of SSROC Delegates. I will contact you further if any issues arise as it is reviewed. If you have any queries, please do not hesitate to contact me or Mark Nutting, SSROC Strategic Planning Manager on 8396 3800, or ssroc@ssroc.nsw.gov.au.

We look forward to the development of a transformative NSW Performance & Wellbeing Framework which responds dynamically to our key urban and regional challenges and climate risks that improves people's lives. A truly transformative policy framework will need to be well connected to investment and funding delivery mechanisms that effectively support and sustain local government as important place makers and community builders in the NSW service delivery system.

Yours faithfully

A handwritten signature in black ink that reads 'H Sloan'.

Helen Sloan
Chief Executive Officer
Southern Sydney Regional Organisation of Councils