



# Appendix two – Service delivery categorisation

---

The audit assessed 105 council annual reports for the 2015–16 financial year, currently available on each of their websites. We have used the following classifications.

## Classification by council type

This report has used OLG's classification of councils by type and reported the results in the following groups:

- Metropolitan includes Metropolitan and Metropolitan Fringe councils
- Rural includes Rural and Large Rural councils
- Regional Towns and Cities remains as classified by OLG.

## Classification of service delivery activities

These annual reports were assessed using the following service delivery categories:

- Governance and administration
- Health and safety
- Social and community
- Land use planning
- Environment
- Sewer and water
- Infrastructure
- Other.

These reflect the service delivery categorisation by OLG, with the exception that the land use planning and environment categories have been separated into two categories.

Section headings within annual reports were reviewed and categorised as performance in one of these service delivery functions. For example, headings, such as council 'has a secure and well managed water supply' were classified as sewer and water, and statements such as 'plan for and provide opportunities, activities and services for youth' were classified as social and community. Where headings were less clearly indicative of the service delivery area they related to, for example, 'plan and cater for increased population growth,' we referenced the descriptive text to determine the service delivery category. It is noted that not all councils directly provide all types of service for example, sewer treatment and water supply services, and that this directly influences the character of the activities grouped under this category.

The diversity across councils' service delivery profiles and reporting styles required a level of judgement to categorise the service delivery profile of councils across the state within OLG's specified list. Those activities councils describe as their advocacy role, in areas such as economic development and addressing gaps in services provided to communities by other levels of government (such as advocating to increase the availability of general practitioner or allied health services), have been categorised as Other. It should also be noted that the activities categorised as sewer and water in metropolitan and metropolitan fringe councils differ markedly from those in the other two groups, as these councils do not manage their sewer and water facilities either directly or indirectly through partnerships such as Hunter Water.

**Table 1: Audit Office principles for council service delivery performance reporting**

<b>Good performance reporting attribute</b>	<b>Reference</b>
1. Having a consistent, comparable, and structured approach to underpin the indicators reported.	RH Dougherty Awards Australasian Reporting Awards Boyle, 2009
2. Placing performance information in context, by comparison to past performance or targets.	RH Dougherty Awards Boyle, 2009
3. Clearly stating the service outcomes sought, and progress against these.	Boyle, 2009
4. Having information on targets and baseline data combined to guide performance assessment over time.	Australasian Reporting Awards Boyle, 2009
5. Ensuring reports are accessible to the community.	RH Dougherty Awards Australasian Reporting Awards Boyle, 2009
6. Linking inputs to outputs and outcomes, and thereby providing valid efficiency and cost-effectiveness information.	Boyle, 2009

Source: Audit Office analysis 2017.