

Wellbeing Government Initiative

# Sixth Wellbeing Government Roundtable

## *Agenda and pre-reading pack*

1 May 2024, 1:00-2:30 PM AEST

Online - Microsoft Teams Meeting

Join [here](#)



## About CPD

The Centre for Policy Development is an independent, non-partisan public policy institute. We confront the toughest policy challenges facing Australia and the region, and take people on the journey of solving them through a unique collaborative method that creates enduring systemic change.

## Wellbeing Government Initiative

[This initiative](#) is about entrenching wellbeing at the heart of Australian policy making. It works to embed a wellbeing approach to government in the minds of leaders and in the processes of policy design, decision-making and implementation. The initiative connects an influential network of leaders and practitioners to spearhead this agenda.



## **The Wellbeing Government Roundtables**

CPD's Wellbeing Government Roundtables bring together Secretary, Deputy Secretary and other leaders from the central agencies (PM&C, Cabinet Offices, Treasury, Finance) from the Commonwealth and across the States and Territories.

**This roundtable seeks to consolidate the progress that has been made in establishing a wellbeing approach to government decision-making, identify the near-term opportunities to introduce new reforms and/or take existing reforms further and confirm what else is needed to embed changes over the long-term.**

CPD's recent research, [Embedding Progress](#), has identified that making progress on complex challenges and embedding wellbeing in government requires aligning structural reforms and accountability mechanisms to a clear vision. Using, the National Agreement on Closing the Gap as a case study, this roundtable will identify how a wellbeing approach can be used to achieve wellbeing goals and how leadership can support both structural and cultural change.

# Agenda - 6th Wellbeing Government Roundtable

Time	Agenda Item
1:00 PM	Welcome, Acknowledgement of Country and Introduction
1:05 PM	<b>Background and context</b> <b>Wellbeing government in Australia, responding to current challenges</b> Consider the progress made towards embedding a wellbeing approach to government decision-making and the current fiscal and geo-political environment.
1:15 PM	<b>Presentation</b> CPD's research on embedding a wellbeing approach to government
1:25 PM	<b>Discussion: Aligning the way government works to the future we want to see</b> Examine the principles and components (from CPD's recent research) of successful wellbeing approaches to government and look at practical examples in Australia where progress is being made.
2:05 PM	<b>Discussion: Looking forward to where we advance</b> Identify reform priorities and opportunities that can be pursued right now and also what is needed to support government ways of working to go further in the future.
2:25 PM	Summary and closing

# Participants

Andrew Hudson	CEO, <b>Centre for Policy Development</b>
Angelia Grant	Deputy Secretary, <b>Commonwealth Treasury</b>
Annabel Brown	Deputy CEO, <b>Centre for Policy Development</b>
Blair Exell	Deputy Secretary, Social Policy Group, <b>Department of the Prime Minister and Cabinet</b>
Brenton Caffin	Executive Director Economic, Environment and Infrastructure Policy, <b>Department of the Premier and Cabinet (SA)</b>
Chris Barrett	Secretary, <b>Department of Treasury and Finance (VIC)</b>
Cliff Eberly	Policy Director, <b>Centre for Policy Development</b>
David Gruen	Chief Statistician, <b>ABS</b>
Deborah Fulton	Group Manager, Closing the Gap, Connection and Culture, <b>NIAA</b>
Emma Ogilvie	Executive Director, Social Policy, <b>Premier &amp; Cabinet (QLD)</b>
Fiona Hunt	Deputy Director General, Aboriginal Engagement and Community Policy, <b>Department of Premier &amp; Cabinet (WA)</b>

Frances Foster-Thorpe	Executive Director of Shaping Futures and Data Insights, <b>The Cabinet Office (NSW)</b>
Katherine Trebeck	Strategic Advisor - Wellbeing, Centre for Policy Development; Co-founder of <b>WEAll Global</b>
Mathew Healey	Deputy Secretary, Strategy and Delivery, Department of Premier and Cabinet ( <b>TAS</b> )
Paul Donegan	Deputy Secretary, Economic, <b>Department of Treasury and Finance, (VIC)</b>
Peter Robinson	Executive Branch Manager, Wellbeing Team, <b>Policy and Cabinet Division (ACT)</b>
Robert Gotts	Executive Branch Manager, Wellbeing Team, <b>Policy and Cabinet Division (ACT)</b>
Toby Phillips	Economic Director, <b>Centre for Policy Development</b>
Warwick Smith	Research Director, <b>Centre for Policy Development.</b>
Xuan Deng	Director, Performance Budgeting Frameworks, <b>Treasury (NSW)</b>

This roundtable will be held under the Chatham House Rule. This means that participants are free to use the information received during the meeting, but neither the identity nor the affiliation of the speaker(s) may be revealed. CPD intends to produce a publicly available summary of the roundtable that will include a participant list. No piece of information will be attributed to any specific participant. **If you wish to opt out of being included in the public participation list, please let us know.**

# Background and Context: CPD's Wellbeing Initiative

## Publications

- (2022) **Redefining Progress** - Identifies key characteristics of successful wellbeing government approaches
- (2024) **The Wellbeing Economy in Brief** - A series of papers that outline key concepts of the wellbeing economy
- (2024) **Banking the Benefits** - A paper that proposes changes to our federal Budget Process Operational Rules to incentivise long-term wellbeing
- (2024) **A National Conversation on Measuring What Matters in Australia** - A paper that calls for a nationwide conversation between communities, institutions and governments around our collective wellbeing goals
- (2025) **Embedding Progress** - A report identifying principles for how to embed a wellbeing approach into government and what governments need to do moving forward based on successful past and current initiatives.
- (Coming soon in 2025) **Avoidable Costs** - A report that investigates the failure demand of current systems and provides some starting points to addressing it.

## Convening and events

- Hosted five **Wellbeing Government Roundtables**
- Hosted six Policymakers Network meetings
- Hosted CPD's flagship event, the Menadue Oration, with Sophie Howe, Inaugural Future Generations Commissioner for Wales
- Hosted Sandrine Dixon-Decleve, Co-President of the Club of Rome and Executive Chair of the Club of Rome for a series of public lectures and government meetings.
- Supported two National Forum of Building Wellbeing into Policy and Action
- Co-convening the Wellbeing Economy Alliance Australia Hub
- Joined the Intergenerational Fairness Coalition calling for increased long-term thinking in Australian policymaking
- Presented at the 7th OECD World Forum on Wellbeing

## Key highlights

- Helped to shape the development of the Commonwealth Measuring What Matters Framework and the NSW Performance and Wellbeing Framework
- Together with a coalition, advocated for a National Conversation which has been included in the draft of the Private Members Bill (PMB) introduced by Dr. Sophie Scamps with multi-partisan support

# Background and Context: Recent Wellbeing Government in Australia



# Background and Context: The current state

## Compounding trends in the external environment...

- Climate challenges: adaptation, disasters and recovery
- Rise of new technologies and new markets (e.g. artificial intelligence, renewable energies, energy transition, etc.)
- Geo-political instability and threats to national security
- Cost-of-living pressures and rising wealth inequality
- Ageing population
- Declining social cohesion and trust in governments

## Will continue to increase complexity in the policy and regulatory environment.

- Demanding more of certain services (e.g. aged care, disaster and emergency responses)
- Requiring new and still undefined regulatory frameworks
- Adding pressures on government spending that has existing constraints
- Highlighting the need to grow public service capability for collaboration and partnership - including with other levels of government and communities.



# Embedding Progress: Aligning public institutions with a better future

CPD identified six principles that outline how to go about embedding a wellbeing approach. We also identified several components that are common across successful attempts to embed a wellbeing approach in other jurisdictions. These components are:

- Departmental and ministerial remits will be aligned with shared big-picture wellbeing goals;
- Incentives and accountabilities of leaders and senior officials will be aligned with these goals;
- Leaders and senior officials will be judged (and rewarded) on their ability to work towards them;
- Public servants will have an internal culture that encourages long-term and whole-of-government thinking, and will take analytical approaches that reflect the complexity of the government's business;
- This will be supported by up-to-date big-picture maps of government activity and spending formal processes, costings, rules, and assessments that drive decision-making; and data and evidence.

CPD's research shows that governments can't pick and choose which principles and components to implement. They can plan and sequence them, but for real change, they need to go all-in.

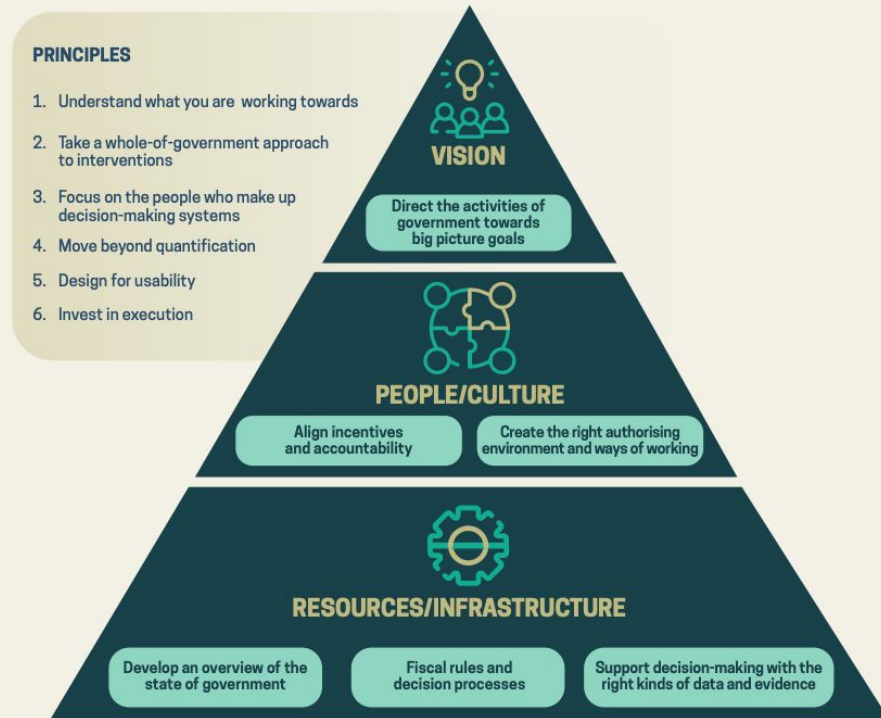


Figure 1: Principles and components of embedding a wellbeing approach into government

# Recommendations for embedding a wellbeing approach into government

## VISION

1. Set big-picture whole-of-government goals that articulate what national wellbeing and prosperity looks like
2. Embed whole-of-government wellbeing goals in the remits of relevant departments and ministers
3. Ensure the short- to medium-term objectives of all departments and government institutions are aligned with whole-of-government wellbeing goals

## PEOPLE & CULTURE

4. Structure government scrutiny and accountability processes around whole-of-government goals
5. Build a set of 'ways of working', based on those found in a wellbeing approach (Box 1), that is shared and cultivated throughout government
6. Create more pathways for soliciting ideas from a broader pool of people, internally and externally, including junior staff

## RESOURCES & INFRASTRUCTURE

7. Develop maps of government activity to provide more robust and consistent analysis for new policy proposals
8. Develop budget tools to assess and categorise whole-of-government resource allocation rather than framing decisions around the incremental change in spending
9. Amend fiscal rules to allow for counting second round fiscal effects across multiple portfolios, where there is a robust evidence base for projected savings
10. Require that new policy proposals have a single overarching policy impact analysis that directly addresses how the policy affects whole-of-government goals
11. Establish an Institute for Fiscal Practice
12. Create a centralised record of where data and evidence is currently unavailable but is needed for fully informing decisions or for implementing valuable government tools
13. Require ex-post policy evaluation for all new policy proposals above a certain size, with a requirement to build insights into policy development

# Case Study: Closing the Gap

## The success so far

Australia's National Agreement on Closing the Gap aims to improve outcomes for Aboriginal and Torres Strait Islander peoples.

Many of the principles and components identified in CPD's research is represented in the national agreement.

The vision is clear – to close the health and life expectancy gap between Aboriginal and Torres Strait Islander peoples and non-Indigenous Australians.

The National Agreement on Closing the Gap's Four Priority Reforms outline new ways of working and infrastructure changes to achieve its vision. They are:

1. Formal partnerships and shared decision-making
2. Building the community-controlled sector
3. Transforming government organisations
4. Shared access to data and information at a regional level

There are several examples of agencies working together and initiatives established to realise the agreement:

- The Australian Public Service Commission partnered with various government and non-government organisations to launch the [Cultural Capability Hub](#). This is a repository of practical tools and resources in implementing the Commonwealth's [Aboriginal and Torres Strait Islander Cultural Capability Framework](#).
- Many government agencies have a First Nations branch within their organisation.
- Many governments and organisations commissioned by government have implemented cultural safety training programs and resources.

The role of peak bodies such as Coalition of the Peaks and SNAICC has expanded greatly in this time, enabling more community involvement and Aboriginal and Torres Strait Islander - led advocacy and influence.



# Case study - Closing the Gap

## Key learnings moving forward

While progress is being made, the people and culture components of change are holding it back. Implementation has faltered when it comes to system-wide power sharing, the culture of government organisations and effective accountability mechanisms.

The Coalition of Peaks have repeatedly emphasised that changing ways of working, not metrics and targets, is what will make the difference in achieving outcomes.

*"It is the Coalition of Peaks view that the Priority Reforms in the National Agreement is where the structural and systemic change can happen, we believe that if these Priority Reforms are embedded, this will naturally improve the trajectory of the Closing the Gap socio-economic targets."*

An Australian Productivity Commission (2024) review of Closing the Gap found very poor progress on the Closing the Gap measures, largely because the Priority Reforms have not been implemented sufficiently.

The report concluded:

*"This raises questions about whether governments have fully grasped the scale of change required to their systems, operations and ways of working to deliver the unprecedented shift they have committed to. The Commission's overarching finding is that there has been no systematic approach to determining what strategies need to be implemented to disrupt business-as-usual of governments. What is needed is a paradigm shift. Fundamental change is required, with actions based on a clear logic about how they will achieve that change."*

**Closing the Gap demonstrates that the success of reforms are deeply tied to how they are embedded within government institutions.**

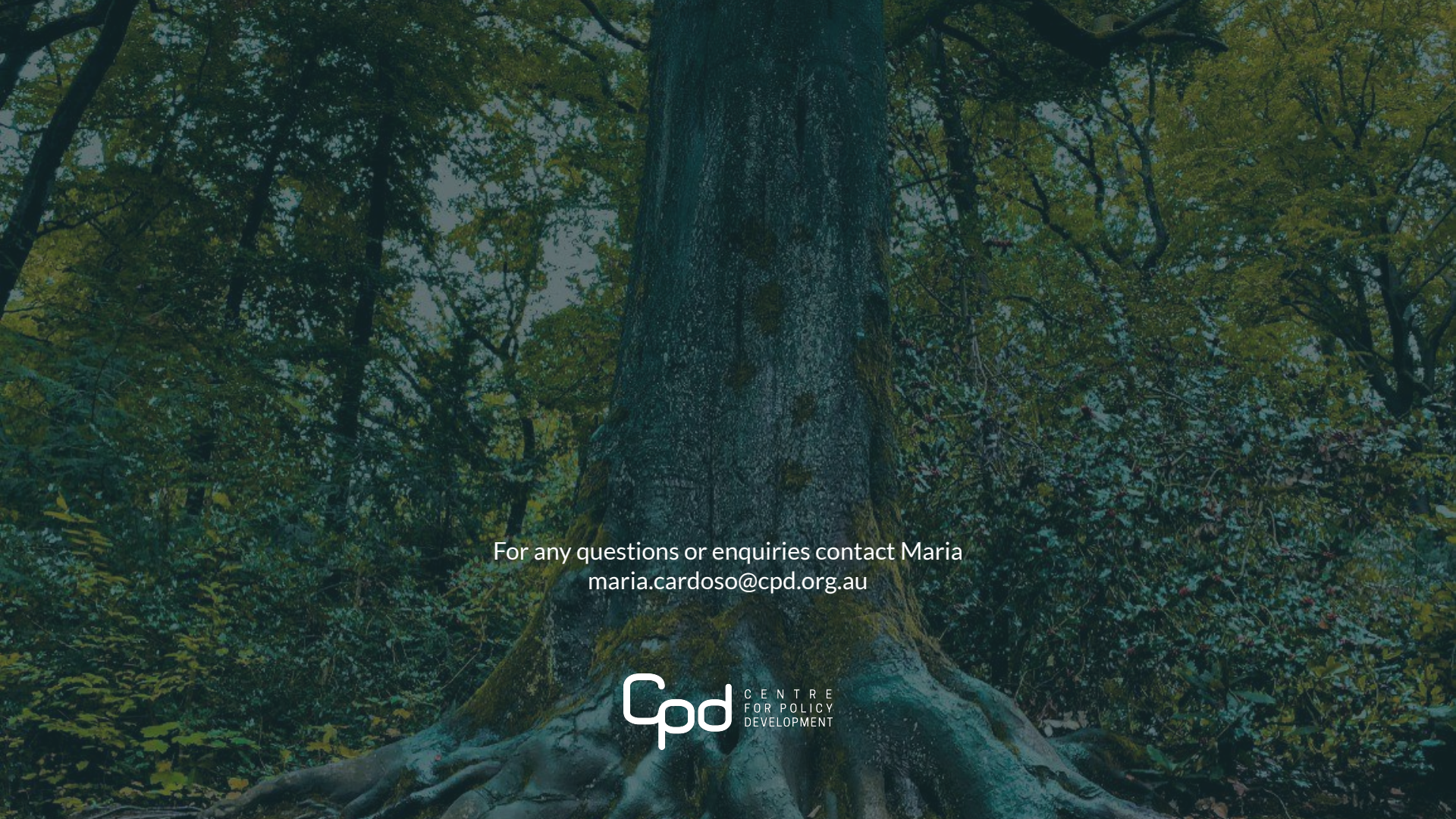
Until all aspects of transformational change outlined here are aligned, the Closing the Gap Priority Reforms will remain a series of tweaks and adjustments that – while well-meaning and directed towards the right goal – won't be embedded in the way that government works and will have limited rather than lasting impact.

# Windows of opportunity for a wellbeing approach

Assessing the context, the progress to date in Australia and the features of successful wellbeing approaches, CPD poses for discussion the following opportunities governments could take forward now:

- Resolving the tension between collaboration and single point of accountability mechanisms.
- Fostering partnership and collaboration through new ways of commissioning services.
- Improving the linkages between data and measurement, and decision-making.
- Building capability for participatory and deliberative engagement processes at all levels of government.
- Widespread embedding of wellbeing approaches in budgeting and funding mechanisms.
- Greater use of process evaluation and with quicker feedback loops between policy development and policy implementation.
- Creating authorising environments and incentives for public servants to challenge the system, take risks and innovate.





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