

AFN Background Paper Summary: Accountability & Reporting

Understanding accountability requires clear definitions. Accountability and responsibility are similar but distinct concepts. Accountability (the ability to account), implies that the account is given by whomever has responsibility (the ability to respond). This helps us understand accountability requires that:

- The account must be given by the responsible party;
- The responsible party must have the information necessary to provide an account;
- The account must be provided in such a manner that the recipient of the account can understand the decisions taken and the results (or outcomes) of those decisions; and,
- The recipient of the account must be able to demand an appropriate response from the responsible party; i.e. to hold that party to account for what was done.

Once an account is provided and evaluated and feedback is given, accountability requires that the responsible parties will actually respond to that feedback. Appropriate responses may include altering policy directions, program parameters or funding arrangements to reflect observed results, but it can also mean replacing the responsible party with another decision-maker in order to enable better results and greater responsiveness.

Clearly, it is essential that we have an understanding of roles and responsibilities. These include:

- the responsible party - whoever exercises decision-making authority on a given issue, which may be multiple parties on complex issues;
- those who may hold the responsible parties to account
 - for questions of how money is spent, this may include all taxpayers (including First Nations);
 - on a more fundamental level, this is First Nations alone, as the recipients of the services and the target of the policies and programs at issue.

There are processes in place for taxpayers' views to be heard, whether through elections or other aspects of parliamentary accountability. Better processes are needed for reporting to First Nations, for supporting their capacity to analyze and to provide feedback to those reports, and for governments to respond to that feedback in a meaningful way. This goes to the heart of accountability and of governance and of what it means for First Nations to exercise jurisdiction and control over the policies and programs that affect them.

A discussion of good reporting involves two basic questions:

- What information is needed in order to provide a proper account?
- How do we ensure that the decisions taken and the results of those decisions are made clear to those who receive that report?

Currently, there are a wide variety of problems with the nature of reporting on the policies and programs of importance to First Nations. The sheer number of reports is an enormous burden on communities and raises questions of overlapping and inconsistently applied reporting requirements. Clearly, there are opportunities for restructuring and integrating reporting requirements and the various programs under which reporting is done.

Simplifying requirements might assist with some of the many related data issues, though much more than simplification will be required. There are questions relating to the completeness, accuracy, availability, and reliability of the data that would support good reporting, as well as questions over who should own, access, control and possess the data and how to enable that.

In addition, reports are not used to inform decisions. This lack of relevance explains the challenge in using current reports to manage results. Results-based management relies on the identification or development of information that can inform decision-making. It involves reporting on what works and what does not work so that the right decisions can be made in response. This requires performance measures and indicators that show how well a program or policy is performing as compared to its objective and suggest what responses might work.

Information should be reported in such a way that decision-makers can use it, but also in a manner that can be understood by those who will be holding decision-makers to account. That means there must be clarity and transparency; that the relationship between a decision and a result is made clear to all concerned. Transparency around funding and how much investment is needed to attain expected results is of the highest concern in this regard. Making information useful also means that each of the parties involved in developing or implementing any policy participate in the reporting, including provinces, territories and non-governmental agencies, as well as the Federal Government and First Nations.

Finally, the question of defining results expectations must be fully addressed, providing a clear sense of what was supposed to happen so that an evaluation of what worked and what did not work can be made. This involves identifying what results (or outcomes, goals, objectives) are sought, as well as who defines them and how that is done. Defining appropriate results expectations and then holding the responsible party to account when they are not met are the keys to making accountability meaningful.

There has been little coordinated effort to address these issues to date, perhaps because they are seen as esoteric or as secondary to the urgent work of actually designing policies and programs and delivering them, perhaps because of the many different players and processes involved and the complexity that entails, or perhaps because of a simple lack of political will to tackle the difficult issues of governance that go into a functional accountability framework. Whatever the reason, the importance of how information flows, what information decision-makers look at when designing and delivering policies and programs, and how feedback is given and dealt with once actual results are known has been under-valued. It has been principally a strategic rather than immediately practical concern.

However positively we view the commitment of the Federal Government to developing a report card, it must be understood that this is the beginning of a long process, that full consultations with First Nations communities must take place after this Sectoral

Session, and that it would be a critical mistake to rush to conclude a report structure simply in order to have a report without doing the hard work and careful analysis that leads to making it useful. All parties must realize that it will take time, effort and good faith to fully explore the current situation, to seek advice on how to best define the results expectations from which a reporting structure will flow, to identify relevant performance measures and indicators, to clarify how data will be identified or developed, and to design a report that meaningfully transmits this information.

Even more importantly, the government must recognize that its own analysis and basic logic demand that we come together on defining the elements of a functional accountability framework before we conclude the design of a report card. This means a full discussion of roles and responsibilities, how decision-makers will be held to account, and by whom. This is a critical test of the government's willingness to carry through on the Prime Minister's commitments to collaboration and transformative change.

To obtain clarity on these issues, we will need to seek the views of First Nations on all of the issues raised here. There will be significant investment required to consult, develop good data, report appropriately, support analysis, build capacity and implement these processes. These are some of the challenges.

On the other hand, the benefits of a well-developed accountability framework with a useful reporting process are improved policies and programs leading to more effective spending and better results both for First Nations and for all Canadians. This is the opportunity.