

31 March, 2026  
International Public Sector Accounting Standards Board (IPSASB)  
277 Wellington Street West  
Toronto, ON M5V 3H2, Canada

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## **Comment Letter by GSG Impact and Social Value International to the IPSASB 2025 Work Program Consultation**

Dear Board Members,

We welcome the opportunity to respond to the IPSASB's 2025 Work Program Consultation, which focuses on project prioritisation for its Strategy and Work Plan 2024-2028. As a member of the Sustainability Reference Group (SRG), GSG Impact is committed to supporting the development of high-quality, globally consistent public sector reporting standards that enhance transparency, accountability, and decision-making.

Building on our previous submissions, including our response to the Sustainability Reporting Standards Exposure Draft 1 - Climate-related Disclosures, we reiterate our strong support for IPSASB's leadership in advancing sustainability reporting in the public sector. We particularly emphasise the importance of ensuring that such reporting reflects the unique purpose of the public sector and the information needs of its primary users.

In this response, we focus on **Specific Matter for Comment 3 (SMC 3)**, regarding the **prioritisation of future sustainability reporting projects**.

### **1. Proposed priority: Wellbeing-focused sustainability reporting and service performance guidance**

GSG Impact strongly encourages IPSASB to prioritise work that advances wellbeing accounting within public sector reporting, either as a standalone project or, if this is not feasible, through the enhancement of existing guidance, particularly Recommended Practice Guideline 3 (RPG 3) on service performance reporting.

This recommendation builds directly on IPSASB's Conceptual Framework, which states that: *"The primary function of governments and other public sector entities is to provide services that enhance or maintain the wellbeing of citizens and other eligible residents."*

If the purpose of government is to enhance or maintain wellbeing, then it follows that general purpose financial reports (GPFRs) should provide information on the extent to which public services achieve this objective. In this context, the primary users of such reports (service recipients and resource providers) ultimately share a common interest: the extent to which public resources are translated into improved wellbeing outcomes.

However, current public sector reporting frameworks do not yet systematically capture or communicate this information.

## **2. Project description: Wellbeing in public sector sustainability reporting**

We propose the development of a project that would:

- Establish authoritative guidance linking service performance reporting to wellbeing outcomes;
- Integrate impact measurement and valuation approaches into public sector reporting;
- Provide a framework for reporting on the outcomes and impacts of public expenditure, beyond inputs and outputs<sup>1</sup>;
- Support alignment between financial reporting, sustainability disclosures, and policy objectives;
- Build towards a coherent system of wellbeing accounting, complementing financial accounting.

If a standalone project is not feasible at this stage, we recommend embedding these elements into an enhanced version of RPG 3, ensuring that service performance reporting explicitly links to wellbeing outcomes.

## **3. Assessment against IPSASB criteria**

### **a. Prevalence: High**

The issue is globally widespread.

Governments across jurisdictions are increasingly adopting wellbeing frameworks and multidimensional indicators to guide policy and budgeting decisions. Examples include national wellbeing budgets, quality-of-life frameworks, and SDG-aligned budgeting approaches. At the same time, there is growing recognition that traditional metrics such as GDP and financial reporting alone are insufficient to capture societal progress.

Despite these advances, there is no standardised accounting and reporting framework that translates these wellbeing objectives into comparable and decision-useful information within general purpose financial reports.

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<sup>1</sup> In the context of service performance indicators, we understand an *outcome* to be “a change or event resulting from organisations’ activities and outputs, providing a causal link between the activities/outputs and their impact(s) on people and/or the natural environment” and *impact(s)* as “the effect(s) of organisations’ actions on people and the natural environment”, based on the definitions by the Impact Management Platform. See: <https://impactmanagementplatform.org/impact/>

**b. Consequences: High**

The absence of wellbeing-focused reporting significantly impairs the usefulness of public sector reports.

Without clear information on outcomes and impacts:

- Service recipients cannot assess whether public spending is effectively improving their wellbeing;
- Accountability is weakened, as reporting focuses primarily on inputs, outputs, or fiscal sustainability;
- Decision-making is constrained, as trade-offs between different policy options cannot be evaluated in terms of their impact on people and planet.

There is also a risk, as highlighted in our response letter to SRS Exposure Draft 1, that adopting private sector-oriented sustainability approaches may overemphasise financial risks while underrepresenting impacts on wellbeing, thereby limiting the relevance of disclosures for primary users.

**c. Urgency: Medium**

The issue is considerably urgent. Momentum is rapidly building across international policy frameworks (e.g. beyond GDP agenda, SDGs), national governments integrating wellbeing into budgeting and policy, and the investment community seeking greater impact transparency – i.e. the availability of quality and reliable information about the impact of organisations on people and planet.

Delaying action risks entrenching reporting systems that fail to capture what matters most to citizens, and that are misaligned with emerging policy and investment paradigms.

**d. Feasibility: High**

We believe the project is feasible within a reasonable timeframe, particularly if approached incrementally.

Key enabling factors include:

- IPSASB's existing Conceptual Framework, which already provides a strong normative foundation;
- Existing guidance such as RPG 3, which can be built upon;
- A growing body of methodologies and practices for measuring and valuing impact and wellbeing, developed by organisations across sectors;
- Increasing availability of data and digital tools to support impact measurement.

An initial phase could focus on principles-based guidance, leveraging existing practices, followed by more detailed standard-setting over time.

#### **4. Concluding Remarks and GSG Impact committed support**

Advancing wellbeing-focused reporting represents a natural and necessary evolution of IPSASB's work. It aligns with the Board's conceptual foundations, responds to the needs of primary users, and reflects the direction of travel in public policy and impact measurement globally.

Ultimately, improving impact transparency in public sector accounting by linking financial inputs to wellbeing outcomes is essential to achieving more effective, equitable, and accountable use of public resources.

We would welcome the opportunity to further support IPSASB in advancing this agenda and stand ready to contribute to future technical work in this area.

With our best wishes,

Elizabeth Boggs-Davidsen, CEO, GSG Impact



Ben Carpenter, CEO, Social Value International

