

Appendix A:

Submissions and comments

We have consulted with all 10 departments, and we considered their views when reaching our review conclusions. As required by the *Audit Act 1994*, we gave a draft copy of this report, or relevant extracts, to those agencies and asked for their submissions and comments.

Responsibility for the accuracy, fairness and balance of those comments rests solely with the agency head.

Responses received

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Department of Education	A-2
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Department of Treasury and Finance	A-7
Department of Transport and Planning	A-10

Response provided by the Secretary, Department of Education



Department of Education

Secretary

2 Treasury Place
East Melbourne Victoria 3002
Telephone +61 3 9637 2000

BRI23129101

Mr Andrew Greaves
Auditor-General
Victorian Auditor-General's Office

Dear Mr Greaves

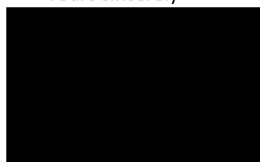
Proposed report on Fair presentation of service delivery performance 2023

Thank you for your letter of 25 October 2023 and the opportunity to comment on the proposed report for this review.

The Department of Education is committed to providing accountable and transparent performance reporting to the public and supports the proposed improvements to the Resource Management Framework.

The department has reviewed the proposed report and has no feedback. Should you wish to discuss the department's response, please contact Shamiso Mtenje, Acting Executive Director, Integrity, Assurance and Executive Services Division on [REDACTED] [REDACTED] [REDACTED] or by email: [REDACTED]

Yours sincerely



Jenny Atta
Secretary
10/11/2023

Your details will be dealt with in accordance with the *Public Records Act 1973* and the *Privacy and Data Protection Act 2014*. Should you have any queries or wish to gain access to your personal information held by this department please contact our Privacy Officer at the above address





Department of Energy, Environment
and Climate Action

PO Box 500, East Melbourne,
Victoria 8002 Australia

SEC-231000623

Mr Andrew Greaves
Auditor-General
Victorian Auditor-General's Office
Level 31, 35 Collins Street
MELBOURNE VIC 3000

Dear Andrew

VAGO PROPOSED LIMITED ASSURANCE REVIEW REPORT: FAIR PRESENTATION OF SERVICE DELIVERY PERFORMANCE 2023

Thank you for your letter of 25 October 2023 providing the Department of Energy, Environment and Climate Action (DEECA) with the opportunity to comment on the proposed limited assurance review report related to Budget Paper 3 (BP3): *Fair presentation of service delivery performance 2023*.

Please find attached DEECA's response to the recommendations in the report outlining the actions that the department proposes to take with expected completion dates. DEECA has either accepted in full or accepted in-principle each of the three recommendations. These actions will build on the improvements that DEECA has already made in its performance reporting following the previous VAGO audit and limited assurance review on BP3. The new actions include ongoing improvements to BP3 content as well as improving data quality standards and the strengthened retention of performance measure data over time.

DEECA notes the recommendations directed to the Department of Treasury and Finance (DTF) related to the Resource Management Framework (RMF) and additional guidance on specific RMF criteria and developing appropriate output-based measures.

DEECA understands that this is the first time that VAGO has undertaken a review of the data quality and the reproducibility of published results from raw data/datasets, plus consideration of the Victorian Data Quality Standards. As the first department subject to this approach from VAGO, DEECA notes that a sufficient timeframe to respond to the detailed information requests would have been beneficial to thoroughly engage with the complexity involved in the use of raw data/datasets. This may have improved the analysis and successful reproduction of the published results. DEECA further notes that the level of complexity and impact for each performance measure is variable, and effort and action should be commensurate with that impact.

DEECA is committed to continuous improvement of its BP3 performance reporting and appreciates the work of your office in conducting this important review. Should you or your office wish to discuss anything further, please contact Kate Edwards, Director of Strategic Planning and EPMO, DEECA via [REDACTED]

Yours sincerely

[REDACTED]
John Bradley
Secretary
14 / 11 / 2023



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DEECA - Management actions - Fair presentation of service delivery performance 2023 limited assurance review

DEECA Management Actions

No	Recommendations	Acceptance	Agreed Action	Completion Date
5	Review its environmental sustainability measures to ensure they meet the requirements of the RMF and fairly present the performance of the department. This includes more clearly presenting its direct service delivery performance in relation to delivery partners.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input checked="" type="checkbox"/> In principle	DEECA will review BP3 performance measures related to environmental sustainability (within the deep dive outputs of Climate Action, Energy, Solar Victoria and Effective Water Management and Supply) for compliance with the RMF and make appropriate changes in future BP3 submissions, including the contribution of delivery partners. Measures that do not align with the RMF will be discontinued (in alignment with required processes) when appropriate replacement measures are available, to retain the breadth and transparency of DEECA's public reporting on performance.	May 2024, in line with the release of budget papers for 2024-25, and ongoing.
6	Review current data quality management practices across BP3 reporting to meet the Victorian Data Quality Standard and implement any additional data quality controls required to improve data accuracy.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input type="checkbox"/> In principle	DEECA will progressively review its 146 BP3 performance measures against the Victorian Data Quality Standards and implement appropriate controls to improve data accuracy.	May 2025, in line with the release of budget papers for 2025-26, and ongoing.
7	Ensure that performance reporting records are kept in a manner that allows for independent verification. This should include (at minimum): <ul style="list-style-type: none"> a copy of any raw data used and/or an extract of any point-in-time data used to 	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input type="checkbox"/> In principle	DEECA will implement a program of improvement for the retention of data related to annual BP3 results to allow for independent verification, including the documentation of methodologies and processes.	July 2024, in line with the next annual reporting cycle, and ongoing.



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	No	Recommendations	Acceptance	Agreed Action	Completion Date
	2	<p>calculate and report on BP3 results. This also applies to measures where data is provided by third parties.</p> <ul style="list-style-type: none"> • the methodology used to calculate the results • documentation of processes used to assure the accuracy of reported BP3 data. 			

2 Contractors and Consultants in the Victorian Public Service: Spending performance audit DEECA Management Actions

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Department of Jobs, Skills, Industry and Regions

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Ref: CSEC-2-23-22047

Mr Andrew Greaves
Auditor General
Victorian Auditor General's Office
Level 31, 35 Collins Street
MELBOURNE VICTORIA 3000

Dear Mr Greaves

**PROPOSED ASSURANCE REVIEW REPORT—FAIR PRESENTATION OF SERVICE
DELIVERY PERFORMANCE 2023**

Thank you for your letter of 25 October 2023 about the Proposed Assurance Review Report—Fair Presentation of Service Delivery Performance 2023.

The department notes the proposed report and has no further feedback.

Thank you for the professional manner in which the review was undertaken.

If you require further information, please contact Karan Gill, Chief Audit Officer on [REDACTED] or [REDACTED].

Yours sincerely

[REDACTED]

Tim Ada
Secretary

Date: 08/11/2023





Department of Treasury and Finance

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D23/173992

Mr Andrew Greaves
Auditor-General
Level 31, 35 Collins St
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[Redacted]

Dear Mr Greaves

PROPOSED REPORT INTO FAIR PRESENTATION OF SERVICE DELIVERY PERFORMANCE 2023

Thank you for the opportunity to respond to your proposed report, which continues the consideration of Victoria's performance management framework from your 2021 report on *Measuring and Reporting on Service Delivery* and your 2022 report on *Fair Presentation of Service Delivery Performance 2022*.

The DTF response to your recommendations is attached, along with an action plan outlining how the department will seek to implement the responses. DTF accepts or accepts in principle all of your recommendations.

As you will be aware, DTF is already progressing a range of reforms to the performance framework in response to previous VAGO recommendations and has a full work program of performance reforms to strengthen output performance reporting.

While the recommendations in this proposed report provide meaningful direction for future reform, the department's priority will be to implement existing reforms.

I understand this proposed report is part of a series of assurance reviews that will examine the way departments measure output performance. I look forward to receiving your findings from subsequent limited assurance reviews in this series.

Yours sincerely

[Redacted signature]

David Martine
Secretary

13 / 1 / 2023



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Department of Treasury and Finance action plan to address recommendations from Fair Presentation of Service Delivery Performance 2023

No.	VAGO recommendation	Acceptance	Agreed management actions	Target completion date
1	<p>Review the better practice performance measure criteria in the RMF (referred to as the ACCURATE criteria) and consider:</p> <ul style="list-style-type: none"> • making the criteria mandatory • including more detailed information and examples to support departments to consistently apply the criteria • requiring departments to make clear within the budget papers: <ul style="list-style-type: none"> ○ which entity is delivering the service ○ who the targeted beneficiary is • providing detailed information about how departments can develop quantity measures that allow comparison of performance over time, taking into account changes in population or demand. 	<p> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input checked="" type="checkbox"/> In principle </p>	<p>DTF will consider this recommendation in the context of the broader performance improvements previously recommended by VAGO.</p> <p>As appropriate, DTF will continue to make performance improvements within the Resource Management Framework (RMF).</p> <p>The proposed timeline reflects the need for sufficient development, engagement and consultation given the scope of this reform.</p>	1 July 2025

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No.	VAGO recommendation	Acceptance	Agreed management actions	Target completion date
2	Include detailed guidance on service delivery mapping (of inputs, activities and outputs) in the RMF to assist departments to develop appropriate output-based measures.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input type="checkbox"/> In principle	DTF is currently working to address a recommendation made in VAGO's 2021 <i>Measuring and Reporting on Service Delivery</i> audit to implement a service logic approach and embed this within the RMF. DTF will look to address this recommendation as part of broader service logic work.	1 July 2025
3	Provide departments training and support to develop output-based performance measures that comply with the RMF.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input type="checkbox"/> In principle	DTF acknowledges the importance of supporting departments to develop accurate and purposeful output-based performance measures. DTF already plays a significant role in assisting departments through the annual budget process as departmental performance statements are being developed. DTF will continue to engage with departments and offer meaningful support, noting resourcing constraints in DTF and departments.	1 July 2025
4	Include standard wording in the RMF for departments to use when reporting changes to their objectives or outputs.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part <input type="checkbox"/> In principle	DTF will seek to provide improved guidance in the RMF to assist departments in describing changes to their objectives or outputs.	1 July 2025

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Response provided by the Secretary, Department of Transport and Planning



Department of Transport and Planning

GPO Box 2392
Melbourne, Victoria 3001 Australia

Ref: BSEC-1-23-4943

Mr Andrew Greaves
Auditor-General of Victoria
Victorian Auditor-General's Office
Level 31, 35 Collins Street
MELBOURNE VIC 3000

Dear Mr Greaves

Victorian Auditor-General's Office - Fair presentation of service delivery performance 2023 - Proposed report

Thank you for your letter of 25 October 2023 enclosing the proposed report *Fair presentation of service delivery performance 2023*.

The Department of Transport and Planning (DTP) acknowledges the conclusion of the report that deficiencies in the Department of Treasury and Finance's Resource Management Framework and supporting guidance continues to result in the reporting of measures that do not support the fair presentation of service delivery performance.

DTP notes the additional recommendations raised for the Department of Treasury and Finance to further improve the Resource Management Framework, and to provide additional guidance and training. DTP looks forward to the improvements that this will bring to reporting service delivery performance in a clear manner.

Yours sincerely



Secretary
Department of Transport and Planning

10 November 2023

