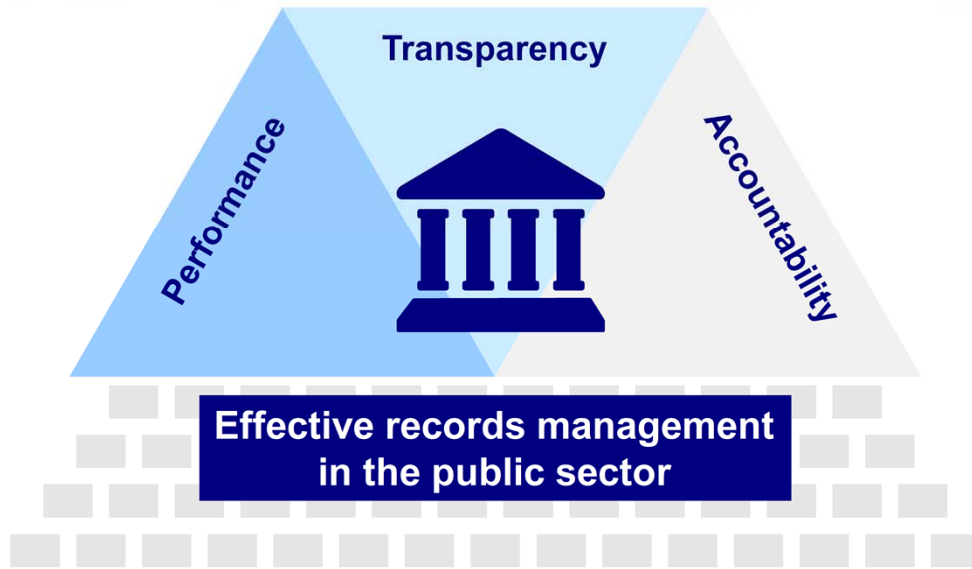VAGO
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Managing Public Sector Records

Tabled 8 March 2017

This presentation provides an overview of the Victorian Auditor-General's report *Managing Public Sector Records.*
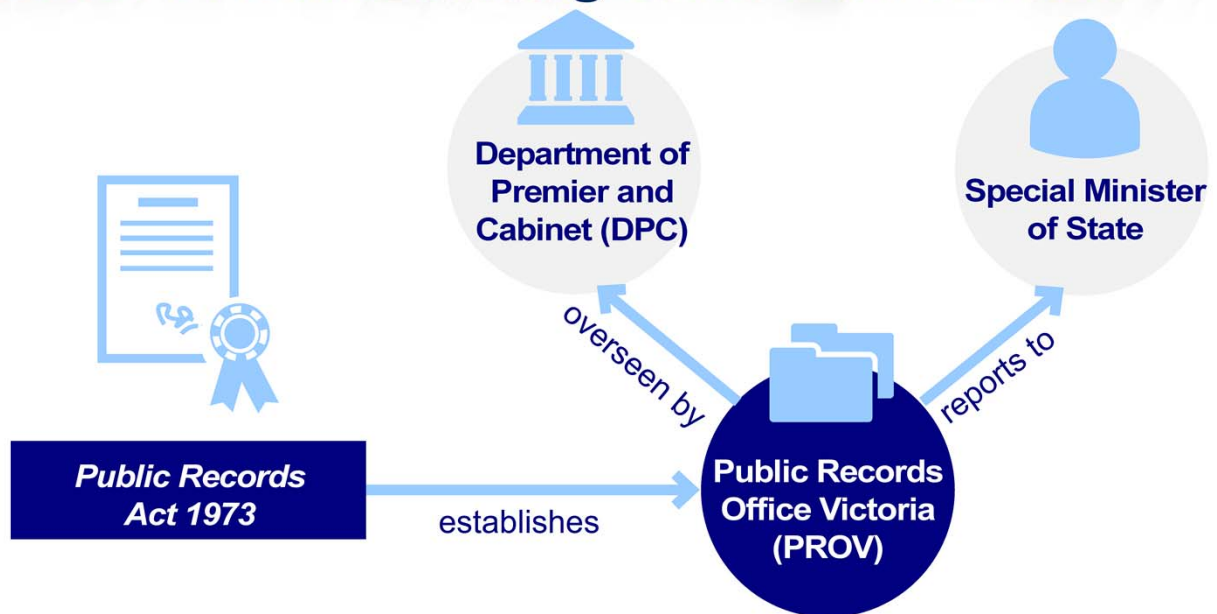
Effective records management

Good records management is the foundation of government accountability as it enables scrutiny of government decision-making.

Conversely, ineffective records management creates the risk of:

- limiting government's ability to develop evidence-based policies and strategies
- undermining people's rights to access public sector information, and
- government being perceived to be avoiding transparency and accountability.

Victoria's records management environment

The *Public Records Act 1973* (the Act) mandates how the evidence of government business should be created and kept. Standards released under the Act set out the records management requirements for Victorian public sector agencies.
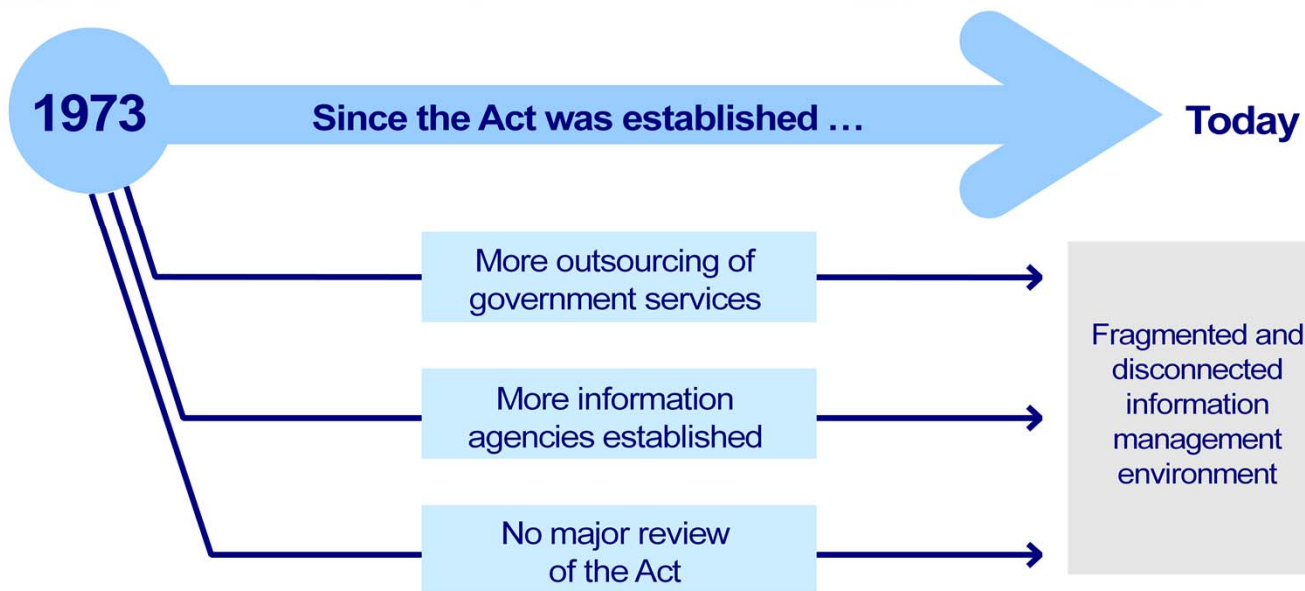
The Public Record Office Victoria (PROV) was established to better preserve, manage and use the state's public records.

The Department of Premier and Cabinet (DPC) is responsible for whole-of-government information management and oversees PROV, who administers the Act.

However, unlike other essential agency functions—such as risk management or financial management—there is no whole-of-government oversight of agency records management.

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Victoria's changing information landscape

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1973   **Since the Act was established …**   **Today**

- More outsourcing of government services
- More information agencies established
- No major review of the Act

Fragmented and disconnected information management environment

There have been many changes to Victoria's information management environment since the Act first came into being.

In 1973, most government services were delivered directly by government, and almost all records were paper-based. But in government's current operating environment, we have:

• information being created and received at an ever-increasing rate

• technological advancements that mean records are being created in many different types and formats

• new information agencies with their own legislation

• no full review of the Act since it was established, and

• increasing levels of outsourcing, where third-party providers are creating and managing the records of service delivery.

Together, these changes have increased the risks relating to information integrity, accessibility, security and preservation.

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Audit scope

Whether **Department of Education and Training (DET)** and **Department of Health and Human Services (DHHS)** are managing their records effectively

Whether **PROV** is effectively assisting agencies to manage their records

Whether **DPC** is supporting PROV to effectively oversee agencies' records management

In this audit, we examined whether:

- the Department of Education and Training (DET) and the Department of Health and Human Services (DHHS) manage public records according to legislative requirements
- whether PROV is effectively assisting agencies to do this
- and whether DPC is supporting PROV to effectively oversee agency records management.

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Overseeing public sector records management

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Persistent limitations in Victoria's records management framework

Inadequate central oversight and monitoring

Victoria's records management legislation and oversight lags behind other jurisdictions

Effective records management requires a robust framework of legislation, centralised governance and oversight, monitoring, and disincentives for noncompliance.

Previously identified limitations in Victoria's records management oversight framework persist, and central oversight and monitoring of agency compliance remains inadequate and lags behind more advanced jurisdictions.

Recent activities signal a renewed support for improving oversight (including a commitment to review the Act) and present significant opportunities for improvement.

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Support for agencies

PROV:

- assists agencies to manage records effectively
- does not inspect agency records management

Absence of records management oversight

- Reduced visibility of state's records management problems
- Lack support for agencies to help them comply

PROV is required to assist agencies meet the Act's requirements.

Since 1996, inquiries and audits have called for PROV to establish agency compliance monitoring and reporting.

PROV has not done so and it believes that it does not have the power to inspect agency records management programs. However, this belief is not based on an informed legal opinion.

The absence of records management oversight reduces visibility of the state's records management problems, and the capacity to address them.

It also means that the regulatory framework in place for records management remains insufficient, and agencies still do not receive the support they need to help them comply with the Act.

PROV's recent reassignment to the Special Minister of State's portfolio and additional funding to meet service demands are encouraging initiatives that signal positive change.

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Agencies' records management

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PROV standards

Strategic management

Operations Management

Capture

Control

Storage

Access

Disposal

Management of Electronic Records

Inadequate compliance by DET and DHHS means government records are at risk

BUT

Both agencies have started to address the issues

Insufficient executive support for, and attention to, records management at DET and DHHS has led to:

- agency records management units not having, or not exercising, their authority to ensure records are lawfully managed

- inadequate or absent compliance monitoring and reporting, despite this being a legal requirement

- noncompliance with PROV's 'Capture' specification, which provides assurance of a record's trustworthiness

- insufficient understanding of the agency's records holdings

- increased risk of records being lost, inaccessible, inappropriately access, or unlawfully altered or destroyed.

Encouragingly, both agencies acknowledge these issues, and have started to address them.

Our findings are consistent with PROV's 2015 report on government records management. This suggests that this all agencies should take note of our findings and recommendations.

Recommendations

4 recommendations for DPC	**3** recommendations for PROV	**2** recommendations for DET and DHHS
• Address recommendations from 2016 PAEC review • Address risk from outsourcing and new technology • Harmonise the *Public Records Act 1973* with other information legislation • Incorporate regulatory measures	• Seek legal advice on PROV's powers and duties • Implement competency-based training • Determine appetite for a records manager 'community of practice'	• Establish agency-wide records management compliance programs • Establish processes for third-party provider compliance monitoring

We made four recommendations that DPC, as part of its review of the *Public Records Act 1973*, address recommendations from previous reviews, work to harmonise Victoria's changing information legislation environment, incorporate improved regulatory measures for records management, and address the risks and complexities from outsourcing arrangements and changes in technology.

We made three recommendations that PROV seek legal advice on its powers and duties, introduce competency-based training, and investigate setting up a records manager 'community of practice' across government.

We also made two recommendations to DET and DHHS to establish agency-wide records management compliance and reporting programs, and establish processes to ensure that third-party providers are compliant with PROV's standards.

All agencies have accepted the recommendations.

For further information, please view the full report on our website: www.audit.vic.gov.au

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