

APPENDIX C

Scope of this audit

Objective

We assessed if DH's VADC is high quality and achieving its intended benefits.

In our *Annual Plan 2021–22*, this audit's initial objective was to determine whether DH's management of the AOD sector facilitates service delivery that reduces harm relating to substance misuse.

Following consultation with the sector, we refined this topic to focus on the VADC.

Who we examined	Their key responsibilities
DH	DH manages the state's AOD system, including policies, funding and the system's overall performance.
DFFH	DFFH monitors and oversees individual service providers' performance and compliance with their service agreements.
<ul style="list-style-type: none">Youth Support and Advocacy ServiceBendigo Community Health ServiceTurning Point (part of Eastern Health)Odyssey House Victoria	These providers deliver AOD services to people experiencing AOD-related harm and their families and carers.

How we assessed performance

To form our conclusion against our objective we used the following lines of inquiry and associated evaluation criteria:

Line of inquiry	Criteria
The VADC dataset accurately represents AOD service delivery and supports consistent and timely data collection.	<ol style="list-style-type: none">1. The VADC accurately represents the activity of AOD service providers.2. DH manages the VADC in accordance with DPC's Data Quality Guideline, including maintaining an up-to-date data management plan and data quality statement.3. Service providers are submitting data in a timely and consistent way.4. DH's 2020 review into the VADC and subsequent improvements have identified and plan to address the root causes of data quality issues arising from the data collection and submission process.
The development of the VADC has met its intended benefits for performance management, service planning and data sharing.	<ol style="list-style-type: none">1. DH uses VADC data to provide timely and actionable feedback to service providers on their service provision, including their performance against targets and the outcomes their clients achieve.2. DH uses VADC data to understand and respond to demand, to meet the needs of catchment planners, and for the ongoing development of funding models.

Our methods

As part of the audit, we:

- analysed DH's information, including:
 - VADC data
 - planning, implementation and review documents for the VADC
 - procurement documents
 - reports and training information it gives to AOD service providers
 - correspondence between DH and AOD service providers
- interviewed staff from DH, 4 AOD service providers and 4 vendors
- reviewed and analysed performance data
- analysed performance and financial information from 4 AOD service providers
- held feedback sessions with catchment planners, the Victorian Alcohol and Drug Association and AOD service providers
- reviewed and analysed relevant legislative, regulatory, contractual, policy and procedural documentation.

We conducted our audit in accordance with the *Audit Act 1994* and ASAE 3500 *Performance Engagements* to obtain reasonable assurance to provide a basis for our conclusion.

We complied with the independence and other relevant ethical requirements related to assurance engagements.

We also provided a copy of the report to DPC and the Department of Treasury and Finance.

Cost and time

The full cost of the audit and preparation of this report was \$665,000. The duration of the audit was 12 months from initiation to tabling.