

Video transcript:

Contractors and Consultants: Management

About this audit

We examined if the Victorian public service gets value for money when it uses contractors and consultants.

We examined all 10 departments and looked at the Department of Environment, Energy and Climate Action, the Department of Families, Fairness and Housing and the Department of Justice and Community Safety in more detail.

Some background

Departments hire external contractors and consultants to help them complete work and inform decisions.

But consistently outsourcing work that public servants have traditionally done can be costly and deskill the Victorian Public Service.

What we concluded

We made 2 key findings.

Finding 1

We concluded that all departments' processes for procuring and reporting on contractors and consultants comply with legal and administrative requirements.

However, departments don't have to publicly report how much they spend on contractors.

Public transparency could be improved by including contractor spend in departments' annual reports.

Finding 2

The 3 departments we looked at in detail couldn't always show that they got value for money in the sample engagements we reviewed.

This was because there were weaknesses in their processes for making sure contractors and consultants delivered quality work on time and on budget. Departments also couldn't always show that they had used this work as intended.

What we recommended

We made 3 recommendations:

- 2 to the Department of Treasury and Finance about its guidance and requirements for department reporting on spending, and
- one to the 3 departments we looked at in detail about ensuring they have strong processes to achieve and demonstrate value for money when they use contractors and consultants.

More information

For more information and to read our full report go to audit.vic.gov.au.