

Appendix C:

Review scope and method

Scope of this review

Who we examined

We examined the following agencies:

Agency	Their key responsibilities
DTF	Supporting departments to comply with the relevant requirements of the RMF
All departments	Reporting information in their performance statements in line with the RMF's requirements

Our review objective

Do Victorian government departments fairly present their service delivery in their department's performance statement?

What we examined

We examined:

- departments' changes and explanations for changes to objectives, outputs and performance measures for 2024–25
- DTF's 2024–25 performance statement for the following outputs:
 - Budget and Financial Advice
 - Economic and Policy Advice
 - Commercial and Infrastructure Advice outputs
- departments' processes to develop, use and review their performance information.

Why we conducted this review

Our previous reviews of the government's service delivery performance have found that departments are not fully meeting the RMF's requirements for reporting responsibilities.

Our annual fair presentation reviews of department performance statements add another level of scrutiny to increase the transparency of public reporting and accountability of government for spending public money.

Aspects of performance examined

Our mandate for performance audits and reviews includes the assessment of economy, effectiveness, efficiency and compliance (often referred to as the '3Es + C').

In this review we focused on the following aspects:

Economy	Effectiveness	Efficiency	Compliance
○	●	○	●

Key:

- primary focus
- secondary focus
- not assessed

Conducting this review

Assessing performance To form a conclusion against our objective we used the following lines of inquiry and associated evaluation criteria.

Line of inquiry	Criteria
1. Do changes to performance information help users assess departments' service delivery performance?	1.1 Departments' new performance measures assess output delivery and enable comparison of performance over time.
	1.2 Departments' new performance measures clearly articulate outputs delivered by the department.
	1.3 Departments' new performance measures align with their objectives and can inform service delivery decisions.
	1.4 Departments have a balanced mix of all performance measures across all outputs.
	1.5 Departments clearly explain changes to service delivery information in their performance statements and the reasons for those changes.
2. Does DTF's performance statement help users understand its service delivery responsibilities and performance?	2.1 DTF's performance measures reflect the department's output delivery, and measures and outputs align with departmental objectives.
	2.2 DTF's performance measures can be used to assess and compare its performance over time and can help inform service delivery decisions.
	2.3 DTF's performance information is accurate, clear and complete.
3. Are the processes for developing and reviewing information in the department performance statements clear?	3.1 Roles, responsibilities and accountabilities for developing and reviewing performance information are clearly delineated.
	3.2 Departments understand the requirements for developing new performance information as outlined in the <i>Resource Management Framework</i> .
	3.3 Departments review their performance information each year to assess if it remains relevant.

Our methods As part of this review we:

- analysed changes that departments made to their objectives, outputs and performance measures in 2024–25 and assessed if they complied with RMF requirements
- analysed DTF's 2024–25 performance statement to assess if reported information complied with RMF requirements
- conducted a semi-structured interview with all departments to gather information on performance reporting processes.

Level of assurance

In an assurance review, we primarily rely on the agency's representations and internally generated information to form our conclusions. By contrast, in a performance audit, we typically gather evidence from an array of internal and external sources, which we analyse and substantiate using various methods. Therefore, an assurance review obtains a lower level of assurance than a performance audit (meaning we have slightly less confidence in the accuracy of our conclusion).

Compliance

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

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

Cost and time

The full cost of the review and preparation of this report was \$423,000.

The duration of the review was 5 months from initiation to tabling.
