

Appendix C:

Review scope and method

Scope of this review

Who we examined

We examined the following agencies:

Department	Their key responsibilities in managing COVID-19
Department of Education	Managing and reporting COVID-19 related expenditure within the education portfolio.
Department of Energy, Environment and Climate Action	Managing and reporting COVID-19 related expenditure within the energy, environment and climate action portfolio.
Department of Families, Fairness and Housing	Managing and reporting COVID-19 related expenditure within the families, fairness and housing portfolio.
Department of Justice and Community Safety	Managing and reporting COVID-19 related expenditure within the justice and community safety portfolio.
Department of Transport and Planning	Managing and reporting COVID-19 related expenditure within the transport and planning portfolio.
Department of Government Services	DGS was established after the 2021 audit and did not have recommendations directed to it. For this review, its relevant responsibilities related to managing and reporting any COVID-19 related expenditure within its functions and applying current whole-of-government procurement, grants and financial reporting requirements.
Department of Health	Managing significant PPE and other COVID-19 inventory, distributing supplies to departments and other organisations, recording inventory write-downs.
Department of Jobs, Skills, Industry and Regions	Responsible for administering most of government's COVID-19 business support grants, including large-scale grants programs.
Department of Premier and Cabinet	Responsible for whole-of-government coordination roles, including working with departments on PPE roles and responsibilities, updating whole-of-government professional services guidance, supporting implementation of procurement-related recommendations, and considering whole-of-government data improvements.
Department of Treasury and Finance	Responsible for whole-of-government financial management and reporting, including coordinating and publishing consolidated COVID-19 expenditure reporting, setting up or supporting relevant procurement arrangements such as PPE state purchase contracts, and issuing financial reporting guidance.
Victorian Managed Insurance Authority	Victorian Government's insurer and risk adviser. It manages and resolves insurance claims made by government departments, agencies and organisations, which includes COVID-19 related claims for covered insurance policies.

Our review objective Have agencies implemented key recommendations from our past reports relating to COVID-19 expenditure, while continuing to report on the pandemic's ongoing financial impact?

What we examined We examined the ongoing financial impact of COVID-19 on Victoria, including:

- departments' progress against recommendations from the 2021 audit
- departments' spend on COVID-19 related grants and procurement
- departments' financial reporting against COVID-19 expenditure.

Why we conducted this review Our 2021 report *Management of Spending in Response to COVID-19* found that not all departments effectively managed their spending during COVID-19, leading to waste in some instances. This engagement assesses how departments implemented our recommendations and how they managed and reported COVID-19 related expenditure.

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. Have departments implemented their action plans from our 2021 report <i>Management of Spending in Response to COVID-19</i> ?	1.1 Did the departments complete their individual action plans?
2. Has DJSIR addressed recommendation 7 from our <i>Auditor-General's Report on the Annual Financial Report of the State of Victoria 2022–23</i> report, related to its management of grants?	2.1 Did DJSIR appoint an independent evaluator that assessed Business Costs Assistance Program and Licensed Hospitality Venue Fund grants to identify whether value for money was achieved?
3. Are departments transparently reporting the ongoing financial impact of COVID-19?	3.1 Are departments reporting on COVID-19 related costs?
	3.2 Are departments tracking costs related to legal advice or settlements?
	3.3 Are departments tracking inventory write-downs and write-offs for COVID-19 related items?
	3.4 Are departments monitoring and reporting on COVID-19 related grants?
	3.5 Are departments tracking and taking steps to recover grant payments made to ineligible applicants?

Our methods

As part of the review, we:

- reviewed department documents and submissions against their action plans
- analysed financial data
- reviewed department attestations
- corroborated information provided by departments with documentary and data sources.

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 \$445,000.
The duration of the review was 7 months from initiation to tabling.