

Appendix D:

Recommendations made in our 2021 audit

Figure D1: Recommendations made in our *Management of Spending in Response to COVID-19* audit report

No.	We recommended	
1	All departments	Review and amend their procurement policies to ensure they: • require the chief procurement officer or responsible officer to formally activate and close off the critical incident procurement process • require staff to complete a declaration form for conflicts of interest at the start of each procurement • clearly define secondments, contractors and consultants, and clearly communicate the appropriate engagement process for each type of staff • include accompanying practical guidance that details how staff should use critical incident procurement processes.
2	All departments	Review their critical incident procurement forms to ensure they clearly document: • the reasons for using a critical incident procurement process • how they considered value for money • reasons for using a single quote • that staff have considered any relevant state purchase contract • that staff completed a conflict of interest declaration • the relevant financial approvals.
3	All departments	Regularly review and update their centralised procurement registers to ensure they are as accurate and as up-to-date as possible.
4	Victorian Government Purchasing Board	Revises its <i>Market approach: Goods and services policy</i> to include further guidance on: • when and how departments should activate their critical incident procurement policies • how the policy should be applied when departments are procuring professional services
5	Department of Premier and Cabinet works with the Victorian Public Sector Commission	Revise its whole-of-government guidelines on using professional services to include guidance on how the policy should be applied when a critical incident is declared under the Victorian Government Purchasing Board's <i>Market approach: Goods and services policy</i>.
6	Department of Premier and Cabinet	Works with all departments to implement recommendations from the Whole of Victorian Government Personal Protective Equipment Review to define the roles and responsibilities of each agency in relation to purchasing and distributing personal protective equipment for future needs.
7	Department of Treasury and Finance	Sets up a state purchase contract for personal protective equipment to implement the recommendation from the Whole of Victorian Government Personal Protective Equipment Review.
8	Department of Premier and Cabinet works with Emergency Management Victoria and the Department of Jobs, Skills, Industry and Regions	Set up a working party to address surplus stock of personal protective equipment to implement the recommendation from the Whole of Victorian Government Personal Protective Equipment Review.

No.	We recommended	
9	Department of Health and Department of Families, Fairness and Housing	Clarify the way they define consultants, contractors and secondees, including those hired as part of strategic alliance agreements, to ensure transparent reporting around the total expenditure on professional services.
10	All departments	Review, and as necessary revise, their internal guidance material on grants to ensure it aligns with the requirements in <i>Better Grants by Design: a guide to best practice grant program investment, design, management and administration for the Victorian public sector</i> (Better Grants by Design) for: • departments to identify and manage the risks associated with implementing a grants program • staff involved in assessing grant applications to declare any conflicts of interest.
11	All departments	Conduct reviews of their COVID-19 grants programs to identify any gaps in their controls or administrative processes that lead to risks of fraud, corruption or waste.
12	Department of Jobs, Skills, Industry and Regions	Develops a governance framework for administering large-scale grant programs, including guidance on how to implement effective fraud controls.
13	Department of Treasury and Finance	Publicly reports on the costs directly attributable to the COVID-19 pandemic for 2021–22 and for any future years that may apply.
14	Department of Treasury and Finance	Reviews its process for collecting data on whole-of-government COVID-19 costs and identify ways to ensure that spending for any future significant events is accurately reported to the public in a timely way.
15	All departments	Review ways to align financial systems, policies and business practices that improve consistency, accessibility and accuracy of whole-of-government data, such as the Department of Premier and Cabinet's Common Corporate Platforms project.
16	All departments	Regularly report and monitor their budgets and expenditure for COVID-19 initiatives.
Note: Department of Government Services (DGS) was not established at the time of the 2021 audit and did not have any recommendations directed to it. Source: VAGO, <i>Management of Spending in Response to COVID-19</i>.		