

RECOMMENDATIONS

- Recommendation 1:** The government draw on its transitional work underway in preparing for the accountability obligations under the Commonwealth’s new funding framework to formulate a state-wide outcomes-based performance management and reporting system. 50
- Recommendation 2:** Performance reporting to the Victorian Parliament by all public sector agencies for both state and Commonwealth funded programs and services be based on uniform outcomes-focussed reporting principles. 50
- Recommendation 3:** The government present to Parliament an annual consolidated report identifying Victoria’s performance against objectives, outcomes, output targets and milestones established under the Commonwealth’s federal financial framework. 50
- Recommendation 4:** Where the Budget Papers disclose for new asset funding, Total Estimated Investments that include projects to be delivered through the public non-financial corporations sector on behalf of government, the Department of Treasury and Finance separate out this component from that of the General Government Sector. 58
- Recommendation 5:** The Department of Education and Early Childhood Development reports on the changes it has made to the asset investment assessment process (eg. under the Building Futures program) and the criteria used for selecting infrastructure projects. 61
- Recommendation 6:** The Government ensure that public sector agencies keep Parliament and the community informed of progress made on asset investment projects through their annual reports in terms of:
- (a) progress towards project completion; and
 - (b) outcomes delivered against departmental and government objectives. 69
- Recommendation 7:** With the advent of a new framework for federal financial arrangements with the states and territories involving a range of National Agreements for Specific Purpose Payments and National Partnerships, the Department of Treasury and Finance expand the Economic Reform Agenda chapter in the Budget Papers by disclosing an abridged version of performance data that summarises how Victoria has progressed against agreed objectives, outcomes and outputs where funding has been provided by the Commonwealth Government. 77

Recommendation 8:	Departments disclose in their annual reports a breakdown of savings and efficiencies achieved, while disclosure in the Budget Papers be expanded to include savings estimates for departments.	77
Recommendation 9:	Departments include in their annual reports, performance information aligned to any performance indicators established at the federal level that relate to productivity improvement.	77
Recommendation 10:	The Department of Treasury and Finance review the accountability measures outlined in the National Agreements and the National Partnership Agreements with a view to updating the performance measures and targets contained in the Victorian Budget Papers where appropriate.	82
Recommendation 11:	In terms of clarifying the appropriate role of state and territories’ Auditors-General for enhancing state accountability under the new federal financial framework, the Victorian Government initiate discussions with COAG on what role, if any, they should have.	85
Recommendation 12:	Departments consider adopting best practices in productivity improvement reporting such as that presented by the Department of Justice.	89
Recommendation 13:	The Department of Treasury and Finance supplement the disclosure of revenue items in the Budget Papers by including: <ul style="list-style-type: none"> (a) an analysis of total revenue per capita for Victoria compared to the other states and territories; (b) a pie chart showing the composition of Victoria’s revenue base; (c) the actual budget for the previous year and actual revenue raisings for the most recent completed year; and (d) explanations for a greater number of material variances between items disclosed in the Forward Estimates. 	101
Recommendation 14:	The Department of Treasury and Finance advise the Committee of the results of its study into presenting a finer breakdown of tax expenditures and concessions in the Budget Papers.	109
Recommendation 15:	The Department of Human Services accelerate the completion date for its annual report on concessions and hardship programs which should occur as soon as possible in the following year.	113
Recommendation 16:	The Department of Treasury and Finance conduct research to assess the socio-economic impacts that the first home bonus incentives have had in terms of their stimulative and distributive effects on the economy, particularly with regard to the securing existing jobs or creating new jobs and areas of growth.	117

Recommendation 17:	From 2010-11, a new budget paper, providing a comprehensive overview of State Government programs and initiatives for regional and rural Victoria, be provided.	125
Recommendation 18:	The Government investigate the social and economic impact of drought on families in regional Victoria and develop specific response strategies aimed at mitigating the severity of these impacts.	129
Recommendation 19:	The Department of Treasury and Finance review current sustainability and environment related reporting guidelines and performance indicators.	137
Recommendation 20:	The Department of Treasury and Finance present in the Budget Papers a reconciliation of the differences in the figures for new output initiatives shown in Budget Paper No. 2 relating to the net impact of new output initiatives for each department and Budget Paper No. 3 that discloses the sum of gross amounts for each new initiative.	137
Recommendation 21:	The Department of Treasury and Finance considers the development of appropriate guidelines for the determination of ‘funded vacancies’ in public sector so that government agencies can report on their staff numbers in a comprehensive and consistent manner.	141
Recommendation 22:	Government sector departments and agencies should collect and maintain qualitative and quantitative data such as entry and exit of staff, staff retention rates and average years of service for each VPS grade and executive level in each budget year. Such information should be used in the development of the department’s workforce management and succession planning strategies. The department should also consider including this information in their corporate strategies reports.	144
Recommendation 23:	The Department of Treasury and Finance provide further detailed information relevant to further actions involved in review processes that are identified in relevant responses to Committee recommendations.	154
Recommendation 24:	The Department of Treasury and Finance expand the sensitivity analysis contained in the Budget Papers to quantify the impact on the general government fiscal results of selected indicators being 1 per cent lower than expected, if the financial effect is not symmetrical with the scenario presented in the Budget Papers.	172
Recommendation 25:	In order for the target of up to 35,000 jobs to be secured in 2009-10, the Government ensure that sound project management disciplines are followed in the delivery of construction projects on time.	176
Recommendation 26:	The Department of Treasury and Finance include outcomes reporting of the extent of jobs secured as well as the new jobs created in particular sectors.	176

- Recommendation 27:** The Department of Innovation, Industry and Regional Development report on a progressive basis and, according to key industry sectors, the take up of government subsidised training places in areas of skill shortage. 177
- Recommendation 28:** As the Victorian Transport Plan unfolds, the Department of Treasury and Finance include a progress report in the Budget Papers disclosing future planned or revised outcomes. 180
- Recommendation 29:** The Department of Transport report at regular intervals on progress made in achieving 40 per cent local content on a whole-of-life basis for train purchases. 182
- Recommendation 30:** When embarking on major rail extensions, the Department of Transport ensure that:
- (a) when features such as grade separations are involved that are costly to provide, every effort be made to ensure that projects are undertaken in a cost effective manner; and
 - (b) in the event that demographic factors in growth corridors suggest that the grouping of projects may be appropriate, feasibility studies be undertaken in a timely manner to justify proceeding with priority projects. 183
- Recommendation 31:** For the Sunbury rail line electrification project, the Department of Transport should continue to place an emphasis on providing a high standard of service in relation to the metropolitan trains running on the electrified system, particularly with regard to cleanliness and punctuality. 184
- Recommendation 32:** The Department of Education and Early Childhood Development ensure that detailed information about the National Assessment Program – Literacy and Numeracy testing program, including differences between it and the previous Achievement Improvement Monitor testing is provided in its annual report and on its website. 189
- Recommendation 33:** The Department of Premier and Cabinet make appropriate adjustments to the Government’s key measure of progress towards the Growing Victoria Together education goal to reflect the replacement of the national benchmark measures with the new national minimum standards. 194
- Recommendation 34:** The Department of Treasury and Finance and the Department of Education and Early Childhood Development report the results for student achievement in literacy, numeracy and reading in future annual reports. 194
- Recommendation 35:** The Department of Education and Early Childhood Development adopt service delivery targets for the National Assessment Program – Literacy and Numeracy measurements that exceed the national minimum standards. 195

Recommendation 36:	The Department of Education and Early Childhood Development develop and report on appropriate performance measures and targets to assess student achievement in writing.	195
Recommendation 37:	The Department of Health implement appropriate performance measures for the Victorian Mental Health Reform Strategy.	197
Recommendation 38:	The Department of Health consider reporting yearly progress against the Victorian Mental Health Reform Strategy via a separate report.	197
Recommendation 39:	The Department of Health review performance indicators for the Crisis Assessment and Treatment Service and consider the addition of performance measures that assess response times.	198
Recommendation 40:	The Department of Education and Early Childhood Development include the cost of Ultranet Coaches as a separate line item in its annual reports and Budget Papers.	200
Recommendation 41:	The Department of Education and Early Childhood Development should take steps to measure progress against anticipated outcomes for the Ultranet Coach initiative.	201
Recommendation 42:	The performance measures for Sustainable Water Management and Supply consider volumetric targets and reporting for environmental flows.	210
Recommendation 43:	An increase in funding for the Sustainable Practice Change output could be considered to meet increased performance expectations and support mitigation of climate change through development of sustainable farming practices.	221
Recommendation 44:	The Department of Human Services review the performance indicators for child protection services including human resource workloads.	233
Recommendation 45:	The Department of Human Services develop a formal evaluation framework for the Directions for Out-of-home care strategy and the outcomes arising to inform future decision-making and strategic actions.	236

Recommendation 53:

The Department of Treasury and Finance expand the disclosure of planned output efficiencies in the Budget Papers by:

- (a) identifying the broad range of areas where savings in the nature of general efficiencies are expected to be achieved across departments over the four year period; and**
- (b) providing a total of each department's expected contribution to savings targets over the four year period**

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