
Government Responses to the Recommendations of

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE'S

Report on the 2019-20 Budget Estimates

Note: Due to the COVID-19 pandemic, the 2020-21 budget, which was originally expected to be tabled in May 2020, has been deferred to a date yet to be fixed. As such, any reference to the 2020-21 budget is still subject to finalisation and publication of the 2020-21 budget papers.

Pursuant to Section 36 of the *Parliamentary Committees Act 2003*, this paper provides a response to the recommendations contained in the Public Accounts and Estimates Committee's (PAEC) Report on the 2018-19 Budget Estimates.

Guide for readers - Following is the explanation of the format of this paper.

1 Title		
2 Chapter number and topic		
1 PAEC recommendation	2 Response	3 Action taken to date and commitment to further action

Row 1: Indicates the title of this paper.

Row 2: Indicates the number and topic of the response to the PAEC recommendations.

Column 1: Contains PAEC's recommendations as published in its Report on the 2019-20 Budget Estimates.

Column 2: Indicates the Government's response to each recommendation: 'Support', 'Support-in-Principle', 'Not Support', or 'Under Review'.

Column 3: Provides an explanation of the Government's position on the recommendation, indicates the actions that have been taken to date relevant to the implementation of the recommendation, and outlines commitment to further action relevant to the implementation of the recommendation.

PAEC recommendation	Response	Action taken to date and commitment to further action
<p>RECOMMENDATION 1: The Department of Treasury and Finance, in conjunction with departments review and strengthen the annual review process of departmental performance statements.</p>	<p>Support</p>	<p>The Government is committed to increased transparency in performance reporting.</p> <p>Ahead of the 2020-21 budget process, the former Assistant Treasurer has written to all Ministers to seek their support in improving output performance measures.</p> <p>In the short term, the Government is focused on delivering achievable changes. To start the process, the Department of Treasury and Finance (DTF) has reviewed current performance statements and has highlighted priority aspects of the statements which could be amended before the coming budget.</p> <p>Over the next two budgets, DTF will develop further reforms to improve reporting and better demonstrate the benefits of Government investment in services to the community.</p>
<p>RECOMMENDATION 2: The Department of Treasury and Finance in consultation with all departments ensure future budget papers contain clear explanations for all proposed discontinued measures to enable meaningful review by the Committee.</p>	<p>Support-in-Principle</p>	<p>When preparing footnotes for proposed discontinued measures, departments are guided by Section 2.3 and Attachment 6 of the <i>Resource Management Framework</i>.</p> <p>DTF will continue to work with departments to ensure explanations are reasonable to enable appropriate scrutiny of measures proposed to be discontinued.</p>
<p>RECOMMENDATION 3: The Assistant Treasurer, in consultation with all departments, review and address the issues with proposed discontinued measures identified by the Committee in this <i>Report on the 2019–20 Budget Estimates</i></p>	<p>Support-in-Principle</p>	<p>DTF has been consulting with all departments regarding the issues addressed in the <i>Report on the 2019-20 Budget Estimates</i> and these will be considered as part of the 2020-21 budget process.</p>

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<p>RECOMMENDATION 4: The Government finalise a performance framework specific to Safe and Strong: A Victorian Gender Equality Strategy.</p>	<p>Support</p>	<p>The Government has finalised the Gender Equality Outcomes Framework (Outcomes Framework) for Victoria’s first gender equality strategy, Safe and Strong, to measure progress towards gender equality in a range of areas including gender equality supportive attitudes, leadership, economic security and health and wellbeing.</p> <p>The Outcomes Framework provides the basis for the collection of consistent data against outcome indicators and measures to track annual performance and achievements to ensure accountability, inform decision-making and facilitate organisational learning and continuous improvement.</p> <p>Reports against the Outcomes Framework will form the basis for annual reporting on progress towards gender equality targets. DPC will continue to explore opportunities to improve data collection in areas where gender equality data is currently lacking.</p> <p>The Gender Equality Baseline Report, released in December 2019, was the Victorian Government’s first report against the Outcomes Framework, with a follow-up report planned for 2022. The baseline report provides a set of measures against which progress towards gender equality outcomes will be monitored over time. Key highlights include that:</p> <ul style="list-style-type: none"> • attitudes to gender equality and violence against women are improving • there is now greater access to flexible work practices and other family friendly policies by both men and women • more Victorian women are participating in sport and recreation.
<p>RECOMMENDATION 5: Budget allocations for the performance of work or services for the Government that will not be carried out by Victorian Public Service employees be included in the budget papers.</p>	<p>Support in Principle</p>	<p>The Financial Framework is centred on a devolved funding model where departments and agencies are ‘contracted’ to deliver services on behalf of Government under the output framework. The composition of labour, grants and other operating expenditure varies over time so contracted services are best reported in the actuals rather than budget reporting. Furthermore, this ensures all expenditure (not just expenditure on new budget initiatives) is captured. The Government already provides transparent reporting on actual contract expenditure.</p> <p>Throughout the Victorian public sector, most capital asset investment and some service delivery is undertaken by contractors and third parties such as local government. DTF notes that even where works or services are provided by direct employees of agencies that are funded through departmental appropriations, most of those employees are not employed under Part III of the <i>Public Administration Act 2004</i> and so are not formally within the Victorian Public Service (VPS), although they are within the Victorian public sector (teachers, nurses, etc).</p> <p>Breaking down budgeted departmental employee expenditure between VPS and non-VPS categories would therefore not provide much meaningful information.</p> <p>With regard to distinguishing between expenditure on public sector (not specifically VPS) employees and external contractors, while some contracts with external providers are of long duration and projected expenditure on them during the financial year could be identified for publication in the budget papers, other contracts are of an <i>ad hoc</i> and short term nature and are entered into as needs arise.</p> <p>As a result, any budget projections of external contract payments would necessarily be incomplete and potentially misleading.</p>

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RECOMMENDATION 6: The Department of Treasury and Finance develop reporting mechanisms for large savings initiatives that identify the sources of savings.	Support	The Government provides updates on the status of significant savings and how implementation is progressing in Chapter 4 of Budget Paper 2 and Chapter 3 of Budget Paper 4. Specific savings may also have their own reporting framework.
RECOMMENDATION 7: In conjunction with the introduction of the Guidelines for the use of Labour Hire and Professional Services, the Department of Treasury and Finance introduce a standard methodology for the collection of professional services and labour hire data across departments.	Support in Principle	Since the introduction of the <i>Guidelines for the use of Labour Hire and Professional Services</i> , DPC (with support from DTF) has already commenced the establishment of baseline expenditure data and set expectations for the regular collection of standard data relating to professional services and labour hire across departments.
RECOMMENDATION 8: Where two or more Ministers have shared responsibility for one output, the budget papers should provide information about how responsibility for the output is divided between the relevant Ministers, and how the funding for the output is allocated between the portfolios.	Support in Principle	The Government has made it a priority to increase transparency and shared accountability in performance reporting. DTF is working with departments to improve output specification. This is expected to reduce the number of outputs within a single department which relate to the portfolio responsibilities of more than one Minister. At the same time, DTF will ensure that Ministerial accountability is reinforced for the contribution to an objective of several complementary outputs.
RECOMMENDATION 9: The Department of Health and Human Services develop budget paper performance measures and targets for the 'Free dental care for government school students' pilot. Measures should include service demand and patient outcomes of the pilot program.	Support	The Department of Health and Human Services (DHHS) has been working with Dental Health Services Victoria to deliver the proof of concept and trial collection of data in readiness for the development of proposed new measures for 2020-21.

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<p>RECOMMENDATION 10: Performance measures be added to the budget papers to gauge the quality of the family violence perpetrator response initiatives.</p>	<p>Support</p>	<p>It is proposed that a quality measure for perpetrator interventions be included in Budget Paper No. 3 from the 2021-22 financial year. Work is currently underway to develop a Perpetrator Accountability Plan, and to develop a suite of outcome measures for the perpetrators domain in the refreshed whole of government Family Violence Outcomes Framework. The new Budget Paper No. 3 measure is proposed to be aligned to the outcomes of each key initiative.</p>
<p>RECOMMENDATION 11: The Department of Health and Human Services develop budget paper performance measures and targets to monitor and review the effectiveness of Victoria’s Homelessness and Rough Sleeping Action Plan, in terms of service demand and outcomes.</p>	<p>Support in Principle</p>	<p>The Homelessness and Rough Sleeping Action Plan does not warrant its own BP3 performance measure as the program represents a relatively small number of rough sleepers (less than 10 per cent of people sleeping rough) engaging with a few providers within a small number of geographic areas.</p> <p>Because of its limited scope, a Homelessness and Rough Sleeping Action Plan performance measure result would likely fluctuate significantly but the factors behind the fluctuation may not be visible to DHHS. For example, program staff recruitment or local factors may result in a drop in performance but relevant DHHS staff may not have the line of sight required to provide the required commentary.</p> <p>The DHHS is proposing to introduce a new measure for 2020-21, <i>‘Proportion of homelessness services clients that engage with support services and secure housing’</i>. This measure will capture housing outcomes for all clients that engage with support services, including clients that are sleeping rough.</p>

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<p>RECOMMENDATION 12: The Department of Health and Human Services include in the budget papers the following performance measure—the percentage of all Victorian public and community dwellings that meet agreed minimum acceptable standards of living.</p>	<p>Support in Principle</p>	<p>Further investigation is required by both the DHHS and DTF to identify data sources for public and community housing respectively, and to determine their suitability and comparability for the purpose of responding to this recommendation. DHHS anticipates that this could be resolved by the first quarter of 2020, with initial application for reporting purposes in the 2021-22 financial year.</p> <p>The Productivity Commission’s Report on Government Services collects information on ‘dwelling condition’ which defines a home that meets a minimum acceptable standard as ‘having at least four working facilities (for washing people, for washing clothes/bedding, for storing/preparing food, and for removing sewerage) and not more than two major structural problems.’ The results are drawn from the National Social Housing Survey, which occurs every two years and is based on a small sample of public and community housing tenants. For example, in 2018 (the most recent survey), Victorian results were based on 672 responses from public housing tenants (approximately one per cent of all tenancies) and 448 from community housing (just over two per cent). The bi-annual nature of the survey, low sample size and relatively low benchmark for ‘acceptable standard’ suggest that this is not necessarily the best way to identify standards for social housing in Victoria.</p> <p>As a result, DHHS is exploring alternative ways to report on asset standards that provide more timely, comprehensive and meaningful data.</p> <p>DHHS collects administrative data on public housing and has identified potential sources of information to identify homes that meet minimum standards required for occupancy.</p> <p>Data related to community housing is held by the Victorian Housing Registrar, which is part of DTF. It is collected for regulatory, rather than administrative, purposes and may be different to the data held by DHHS on public housing.</p>
<p>RECOMMENDATION 13: The Department of Health and Human Services review and update its performance measures in the Child Protection and Family Services output.</p>	<p>Support</p>	<p>The review of performance measures in the Child Protection and Family Services Output is supported. The Department of Health and Human Services (DHHS) has undertaken a review and is proposing to create new out-of-home care measures by placement type (kinship, foster, residential care). The proposed measures are consistent with national reporting, published by the Australian Institute of Health and Welfare.</p> <p>DHHS is proposing to remove one existing measure on the proportion of children in home-based care. This measure is unnecessary given the proposed new measures. The Department is also proposing to remove a measure on the number of contracted kinship cases, the new measure of kinship placements is more useful.</p> <p>The Department is proposing to adjust the counting rule for an existing measure – ‘daily average number of children in out-of-home care’ to exclude children subject to permanent care orders which transfer parental responsibility to a third party at which time child protection ceases involvement and closes the case. As such the child is no longer in state care. This aligns with national definitions and reporting of children in care. The number of children in permanent care will be captured through the proposed new measure.</p>

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<p>RECOMMENDATION 14: Ahead of the 2020–21 Budget the Department of Health and Human Services address the issues with the six new performance measures identified in relation to the following outputs: Acute Health Services—Admitted Services; Concessions to Pensioners and Beneficiaries and Drug Services—Drug Treatment and Rehabilitation.</p>	<p>Not Support</p>	<p>Acute Health Services – Admitted services</p> <p>The Committee stated that the new measure ‘number of patients admitted from the elective surgery waiting list’ lacks comprehensiveness and transparency as it only reports on a selected (unidentified) subset of elective surgery procedures. Consequently, it masks performance in other non-measured categories. Neither the budget papers nor information supplied by the Department permits an understanding of how the target and measure are constructed.</p> <p>In response the Department of Health and Human Services (DHHS) notes that:</p> <ul style="list-style-type: none"> • In Victoria, surgical procedures reportable to Elective Surgery Information System (ESIS) are aligned to those specified by the Australian Institute of Health and Welfare in the National Elective Surgery Waiting Times Data Collection (NESWTDC). This information is available publicly. The ESIS data collection covers waiting episodes for elective surgery at public hospital campuses that have demonstrated to DHHS: <ul style="list-style-type: none"> – their compliance with the Victorian Elective Surgery Access Policy, July 2015, and – their capacity to reliably report elective surgery activity in accordance with the data specifications outlined in the ESIS manual, also publicly available. • Elective surgery admissions from the wait list is already a publicly reported indicator that has been a part of the Statement of Priorities and public reporting since 2005-06. The data within this indicator is sourced from the Elective Surgery Information System (ESIS) which is a patient-level collection of elective surgery waiting list data from approved Victorian public healthcare services, first introduced in 1997. <p>The Department is continuing to work on inclusion of data that would enable public reporting to be more inclusive of activities undertaken that are outside of these elective surgery data specifications.</p>

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	Not Support	<p>Concession to Pensioners and Beneficiaries</p> <p>There are currently nine measures for the Concessions to Pensioners and Beneficiaries output group – three of which are related to the trustee services program. The Department of Health and Human Services (DHHS) proposed to reduce the number of measures which are related to the trustee services program from four to three measures, to enable it to introduce a measure related to the Utility Relief Grant Scheme.</p> <p>In 2018-19, expenditure on the trustee services program was \$19.9 million, representing just 3.4 per cent of the Concessions to Pensioners and Beneficiaries output group budget.</p> <p>In comparison, in 2018-19 DHHS made 47,128 grants and expended \$21.5 million on the program. The new measure provides valuable information about DHHS’s role as a safety net for low-income households with electricity, gas or water bills that are overdue due to a temporary financial crisis.</p>

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	Not support	<p>Drug Services—Drug Treatment and Rehabilitation</p> <p>The recommendation regarding the four new performance measures in the Drug Services–Drug Treatment and Rehabilitation Output is not supported.</p> <p>The Department of Health and Human Services (DHHS) disagrees with the Committee’s concerns that discontinuing the old measure ‘<i>Percentage of residential rehabilitation courses of treatment greater than 65 days</i>’ and adding the new measure ‘<i>Percentage of residential rehabilitation clients remaining in treatment for ten days or more</i>’ shifts the metric from an outcome to an input focus.</p> <p>DHHS proposed to replace the measure because, following consultation with the sector, it was determined that there is no significant evidence that a minimum length of stay of 65 days is necessary for most clients to achieve a satisfactory clinical outcome from their residential rehabilitation treatment. Clients seeking treatment for their alcohol and drug use present with varying needs and complexity. Since the original measure was set, DHHS has funded the sector to offer a range of residential treatment programs from two to twelve weeks and beyond to cater to the diversity of client needs. Following the advice of the sector, the Department changed the measure to a treatment duration of ten days, which is a more meaningful baseline for minimum treatment required for most clients to achieve a satisfactory clinical outcome. This also aligns the measure to better reflect the residential treatment services the department is funding the sector to deliver.</p> <p>Additionally, the Department does not believe the new or old measure should be discounted as an outcome measure. While neither are true outcomes measures, per se, they can be used as an appropriate proxy for quality until more robust data on client outcomes is made available to DHHS through the new Victorian Alcohol and Drug Collection (implemented in late 2018-19). Once the collection matures, the Department will likely review and change this measure to have a stronger outcome focus drawing on the new data inputs.</p> <p>DHHS continues to support the proposal for the new measure ‘<i>Percentage of residential withdrawal clients remaining in treatment for two days or more</i>’ and believes it does not meet the definition of an input measure. This measure is analogous to ‘<i>Percentage of residential rehabilitation clients remaining in treatment for ten days or more</i>’, yet specifically for residential withdrawal services. Based on sector advice, two days is the minimum treatment duration required for most clients to achieve a satisfactory clinical outcome. Withdrawal services are usually of short duration (a few days to a week) and clients may choose to then enter residential rehabilitation treatment. However, residential withdrawal is a distinct type of residential treatment and is not the ‘initial engagement stage’ of residential rehabilitation as interpreted by the Committee in its recommendation. This new measure is an appropriate proxy until DHHS can collect more robust data on outcomes for withdrawal services.</p>
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PAEC recommendation	Response	Action taken to date and commitment to further action
		<p>DHHS also wishes to clarify that this is one of several new measures introduced to replace the old measure <i>'Successful courses of treatment (episodes of care): residential-based drug treatment services'</i>. This old measure was proposed for discontinuation because as of 1 July 2019 residential treatment services are funded through activity-based funding and no longer report courses of treatment. This measure is to be replaced by <i>'Percentage of residential withdrawal clients remaining in treatment for two days or more'</i>, <i>'Percentage of residential rehabilitation clients remaining in treatment for ten days or more'</i> and <i>'Number of drug treatment activity units (DTAU) –residential-based treatment'</i>. The first two measures provide a proxy measure of outcome for residential treatment and the third is a quantity measure derived from the activity-based funding unit, the DTAU. Therefore, an assessment of the appropriateness of the new measure cannot be made by considering it as a sole replacement of the old measure.</p> <p>The Department continues to support the new measures <i>'Median wait time between intake and assessment'</i> and <i>'Median wait time between assessment and commencement of treatment'</i>. These two new measures are complementary and should be considered together. The old measures measured the time it takes for a client to proceed from screening to commencement of treatment for community and residential-based treatment separately. Following consultation with the sector, DHHS determined there is more value and greater transparency of system performance gained by measuring the time it takes for a client to proceed through each key step in the treatment access pathway i.e. from intake to assessment and then from assessment to treatment (be it residential or community-based).</p> <p>Further, DHHS believes it is appropriate to use a median for these measures. These measures aim to make a meaningful statement about the performance of the whole sector in a single figure. Wait time data usually follows a long tail distribution for which it is most appropriate to use a median as the statistic. A mean (average) is the most appropriate statistic when the distribution is normal as it is sensitive to outlier results. There are legitimate reasons why an outlier in wait times may occur, such as the client is not ready to proceed to treatment for personal reasons or a data error results from a clinician forgetting to close a client's case file. Using a statistic that is highly sensitive to this outlier data will unduly skew DHHS understanding of how long the majority of clients wait to access services.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action
<p>RECOMMENDATION 15: The Assistant Treasurer, in conjunction with the Department of Health and Human Services, review and reinstate with modifications addressing the issues raised with the five discontinued performance measures identified in relation to the following outputs: Concessions to Pensioners and Beneficiaries and Drug Treatment and Rehabilitation.</p>	<p>Not Support</p>	<p>Concession to Pensioners and Beneficiaries</p> <p>The recommendation regarding the discontinued performance measure in the Concessions to Pensioners and Beneficiaries Output is not supported, noting the response to Recommendation 14.</p> <p>Drug Services—Drug Treatment and Rehabilitation</p> <p>The recommendation regarding the four discontinued performance measures in the Drug Services—Drug Treatment and Rehabilitation Output is not supported.</p> <p>The basis of the Committee’s recommendation to review and reinstate the measures proposed for discontinuation is based on its view that the proposed new measures are not suitable replacements. Please refer to the response to Recommendation 14 which does not support this position.</p> <p>Further, it is important to note that one of the measures flagged for review and reinstatement, <i>‘Successful courses of treatment (episodes of care): residential-based drug treatment services’</i> is no longer relevant as the transition to activity-based funding for residential services on 1 July 2019 means service providers will no longer report courses of treatment. Therefore, the result for this measure, if retained, will be zero from 2019-20 onwards.</p>
<p>RECOMMENDATION 16: Where any departmental portfolio ends or is created, including a Department of Education and Training portfolio, this information be included in the budget papers together with the information about output movements as a result of these machinery of government changes.</p>	<p>Support in Principle</p>	<p>The Department of Education and Training (DET) supports in principle recommendation 16. From a departmental financial management perspective, a portfolio is a group of outputs for which a Minister has responsibility. DET accepts the recommendation to publish detail of output movements in the budget papers.</p>
<p>RECOMMENDATION 17: The Department of Education and Training collect data on the proportion of its workforce who have a disability to meet the recruitment targets set out in the Government’s Every Opportunity: Victorian economic participation plan for people with disability 2018–2020.</p>	<p>Support</p>	<p>The Department of Education and Training (DET) supports recommendation 17. DET is committed to the improvement of employment opportunities for people with disability, as provided in its Disability Action Plan 2018-2021 and Disability Employment Plan 2019-2022. Furthermore, the alignment of DET’s recruitment target to the Victorian Public Service target is affirmed in the Department’s Annual Report 2018-2019 (p91).</p> <p>DET has modified its HR and payroll system in mid-2019. This system now provides a mechanism for staff to self-identify their status as per the Victorian Public Sector definition for disability. Previously, DET used the workforce data collected through the People Matter Survey, as coordinated by the Victorian Public Sector Commission. The People Matter Survey will be used to provide a consistent measure across the Victorian Public Sector to report against the targets for 2020. Workforce profiles are reported in the State of the Public Sector Report produced by the Victorian Public Sector Commission annually.</p>

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<p>RECOMMENDATION 18: The Department of Education and Training develop new performance measures for the 2020–21 Budget enabling assessment of the take-up of free Technical and Further Education (TAFE) and performance of related initiatives. The addition of measures reflecting the take up of free TAFE in the 2020–21 budget papers would strengthen transparency.</p>	<p>Not Support</p>	<p>The Department of Education and Training (DET) does not support recommendation 18. DET already reflects the performance of the Free TAFE for Priority Courses initiative under two existing budget measures:</p> <ul style="list-style-type: none"> • The number of government subsidised course enrolments. • The number of government subsidised course enrolments in the TAFE Network. <p>DET intends to include the number of free TAFE enrolments in the Victorian Training Market Report, which is published on the DET website.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action
<p>RECOMMENDATION 19: Ahead of the 2020–21 Budget the Department of Education and Training address the issues with the three new performance measures identified in relation to the Training, Higher Education and Workforce Development output.</p>	<p>Not Support</p>	<p>The Department of Education and Training (DET) does not support recommendation 19. DET is committed to working with DTF to undertake annual reviews of performance measures, ensuring that they are meaningful, relevant and robust.</p> <p>DET has reviewed the three new measures under the Training, Higher Education and Workforce Development output in response to the Committee’s recommendations and offers the following additional insight to clarify their inclusion in the performance statement.</p> <p><u>Discontinued Measure:</u></p> <ul style="list-style-type: none"> • Number of students without Year 12, Certificate II or above enrolled in foundation courses <p><u>New Measure:</u></p> <ul style="list-style-type: none"> • Number of government subsidised foundation module enrolments <p>The Committee’s report identified that the new measure is less meaningful than the discontinued measure as it reverts from an outcome to an input focus, and this measure needs further clarification on its alignment with policy priorities.</p> <p>DET considers that the new performance measure aligns better with Government priorities as it covers the full breadth of foundation training delivery, not just for those without Year 12 or Certificate II+ qualifications. The new measure also reflects the full range of foundation course types delivered, including pre-accredited training.</p> <p><u>Discontinued Measure:</u></p> <ul style="list-style-type: none"> • Proportion of government subsidised course enrolments by students eligible for fee concession <p><u>New Measure:</u></p> <ul style="list-style-type: none"> • Number of government subsidised course enrolments by students eligible for fee concession <p>The Committee’s report identified that the rationale for the new measure, in place of the discontinued measure, remains unclear.</p> <p>DET considers that the new measure is more meaningful as it reports the magnitude of training delivered to students eligible for fee concession and therefore a better line of sight on Government expenditure in this area. Furthermore, the discontinued (proportion) measure can still be calculated by dividing the new measure by another BP3 measure: Number of government subsidised course enrolments.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action
RECOMMENDATION 19 (continued)		<p><u>Discontinued Measure:</u></p> <ul style="list-style-type: none"> • Number of government subsidised course completions <p><u>New Measure:</u></p> <ul style="list-style-type: none"> • Two-year completion rate for non-apprentice commencements in government subsidised Australian Quality Framework qualifications <p>The Committee's report identified that:</p> <ul style="list-style-type: none"> • it is not evident that the new measure improves the quality and comprehensiveness of related performance measures; • the rationale for discontinuing the measure 'Number of government subsidised course completions' is unclear; • the shift from annual, to a two-year measurement timeframe could mask poor performance in any given (single) year; and • the reason for excluding apprentice commencements from the metric is unclear. <p>DET introduced this new measure in response to a request from the 2018-19 PAEC Committee for a completion rate measure, as it provides better measurement of effectiveness and quality of training, in preference to a completion volume measure.</p> <p>A two-year completion rate recognises that most VET qualifications take longer than one year to complete. Therefore, a one-year completion rate would significantly under-report VET completion outcomes. In addition, apprenticeships were excluded from the new two-year completion rate measure as most take 4 years to complete and would therefore compromise the measure.</p> <p>DET will consider new performance measures relating to apprenticeship completion for future budgets.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action
<p>RECOMMENDATION 20: The Assistant Treasurer, in conjunction with the Department of Education and Training, review the seven discontinued performance measures identified in relation to the Training, Higher Education and Workforce Development.</p>	<p>Not Support</p>	<p>The Department of Education and Training (DET) does not support recommendation 20. DET remains committed to ensuring that the Departmental Performance Statement provides accountability and transparency through strong alignment to funding and with a focus on improving the return on investment for Victorians.</p> <p>Three measures were introduced in place of three discontinued measures to strengthen alignment to funding and policy priorities. More information on the rationale for the three new measures is provided in response to Recommendation 19.</p> <p>The DET is of the view that the discontinuation of a further four measures does not impact on the coverage of VET sector performance:</p> <ol style="list-style-type: none"> 1. Number of students enrolled in government subsidised courses 2. Number of students enrolled in government subsidised courses in the TAFE Network 3. Participation rate of 15-24 year olds in government subsidised training and further education in Victoria 4. Participation rate of 25-64 year olds in government subsidised training and further education in Victoria <p>DET has worked closely with DTF to review all seven discontinued measures in the context of the Resource Management Framework and alignment to funding and policy priorities and will continue to work with DTF to ensure that performance measurement for the Department remains robust and meaningful.</p>
<p>RECOMMENDATION 21: The Department of Transport work with the Department of Treasury and Finance to, as far as possible, report the total investment on capital projects in the budget papers. This should include amounts allocated across the forward estimates.</p>	<p>Support</p>	<p>Total investment on capital projects and amounts allocated across the forward estimates is already reported in the Budget papers. Capital initiatives funded in the 2019-20 Budget are outlined in 2019-20 Budget Paper 3 <i>Service Delivery</i> on pages 107-115, including amounts allocated across the forward estimates. Capital information on all new and existing initiatives, including total estimated investment, is included in the 2019-20 Budget Paper 4, <i>State Capital Program</i>.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action
RECOMMENDATION 22: The Department of Transport develop performance measures in the budget papers that reflect the milestones set in the Federal Disability Standards for Accessible Public Transport.	Support in Principle	The Department of Transport will consider the development of new performance measures.
RECOMMENDATION 23: Where private operators that deliver public transport underperform, the Department of Transport consider publicly disclosing the penalties imposed on the operators.	Support	This information is already provided in the Quarterly Track Record of public transport performance. The Department of Transport publishes a Power BI dashboard that has quarterly information on payments to train, coach, tram and bus operators, which includes any adjustments made for under achieving or overachieving on contractual performance requirements. The dashboard can be accessed via the following URL link https://www.ptv.vic.gov.au/footer/data-and-reporting/track-record/ and clicking on the 'Power BI dashboard' link.
RECOMMENDATION 24: The Department of Transport include in the budget papers the funding allocated to active transport infrastructure and associated performance measures.	Support in Principle	<p>The requested information is already provided in the budget papers. The 2019-20 Budget Paper 3 <i>Service Delivery</i> has the following active transport initiatives.</p> <ol style="list-style-type: none"> 1. Walking and cycling (pages 100 and 103) – \$2.8 million provided in 2019-20. <ul style="list-style-type: none"> • Funding is to continue the Active Transport Victoria unit. 2. Walking and cycling upgrades Stage 2 (page 100 and 103) - \$300,000 provided for output funding in 2019-20 while \$15 million has been provided for asset funding over three years. <ul style="list-style-type: none"> • \$5.2 million in 2019-20 • \$1.3 million in 2020-21 • \$8.5 million in 2021-22 3. North East Link (page 107 and 110) – will deliver around 25 km of new and upgraded walking and cycling paths. <p>In addition, there are several active transport initiatives being delivered by other departments.</p> <p>The Department of Environment, Land, Water and Planning, as part of the <i>Creating a ring of new parkland in our growing suburbs</i> initiative, will build new cycling and walking trails across northern metropolitan municipalities.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action
<p>RECOMMENDATION 25: The Department of Transport publish a list of the projects that will be delivered from the Better Boating Fund in the budget papers and details of the revenue collected from the fees for boat licences and registrations.</p>	<p>Support</p>	<p>The projects to be delivered under the Better Boating Fund have been listed in 2019-20 Budget Paper 3 <i>Service Delivery</i> at page 108. The Department of Transport is currently in the planning phase for the Better Boating fund and what it will fund in the future.</p> <p>The new performance measure for 2019-20, <i>Better boating initiatives commenced</i> has a target of seven projects.</p> <p>Revenue collected from fees for boat licences and registrations will continue to be reported in the Annual Report, to ensure full year figures are reported. Note that details of the revenue collected from the fees for boat licences and registrations is held by Marine Safety Victoria (MSV) with service delivery carried out by VicRoads on behalf of MSV. The former VicRoads published the total of revenue collected for licences and registrations in its 2018-19 Annual Report under the section, <i>Collection on behalf of other government agencies</i>.</p> <p>Revenue figures for the 2018-19 financial year:</p> <ul style="list-style-type: none"> • Registration: \$13,945,465 • Licensing: \$16,999,498 <p>Please note the following:</p> <ul style="list-style-type: none"> • This is gross revenue – it does not take into account the costs of collection. • Revenue varies from year to year due to a range of factors.
<p>RECOMMENDATION 26: Where a department or portfolio is created, including a Department of Transport portfolio, this information be included in the budget papers together with the information about output movements as a result of these machinery of government changes.</p>	<p>Support</p>	<p>The requested information is already included in Budget Paper 3 <i>Service Delivery</i>.</p> <p>For machinery of government changes, refer to pages 129-131 of the 2019-20 Budget Paper 3 <i>Service Delivery</i>. In addition, for changes to the output structure for the Department of Transport, refer to page 324 of the 2019-20 Budget Paper 3 <i>Service Delivery</i>.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action
RECOMMENDATION 27: Where a department is created or where two or more agencies that are overseen by a department are integrated, the relevant department should publish an updated organisational chart on the department website.	Support	The Department of Transport published an updated organisational chart on the Department's website on 1 July to coincide with the bringing together of VicRoads and PTV into the Department. Further updates will be published when changes are made to the organisational structure.
RECOMMENDATION 28: The Department of Transport review the quality performance measures in the Transport Infrastructure output to ensure they provide transparent insights on the progress of funded projects against original timelines and budgets.	Support in Principle	The Transport Infrastructure output measures are reviewed each year as part of the development of the Departmental Performance Statement. In addition, reporting on the performance of Victoria's capital projects is included in Budget Paper 4 <i>State Capital Program</i> and project websites which provide progress updates and milestones achieved.
RECOMMENDATION 29: The Department of Transport should review the new performance measure on the timeliness of processing commercial passenger vehicle registrations to ensure that it will offer useful insights and provide the opportunity to drive continuous improvement ahead of the 2020–21 Budget.	Support	<p>The Department of Transport, in conjunction with Commercial Passenger Vehicles Victoria (CPVV), has reviewed the performance measure. CPVV has improved the process as all applications are now automated and processed online within 14 days. Given this, the Department of Transport will propose to discontinue the <i>Commercial passenger vehicle registration applications processed within 14 days</i> measure in the 2020-21 budget.</p> <p>The remaining 15 measures in the <i>Regulation of Commercial Passenger Vehicle Services</i> output continue to provide a robust performance framework for CPVV against the key requirements of the legislation governing the commercial passenger vehicle industry.</p>
RECOMMENDATION 30: The Department of Justice and Community Safety consider including performance measures in the budget papers with regard to recidivism—rate of return to prison.	Support	<p>The Department of Justice and Community Safety (DJCS) reports on two recidivism measures in the budget papers:</p> <ul style="list-style-type: none"> • <i>Rate of return to prison within two years;</i> and • <i>Rate of return to corrective services within two years from a community corrections order.</i> <p>DJCS will continue to report on these performance measures going forward.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action
<p>RECOMMENDATION 31: The Department of Justice and Community Safety develop additional performance measures and targets for the 2020–21 Budget enabling assessment of funded initiatives to reduce the incarceration of women and men.</p>	<p>Support in Principle</p>	<p>Initiatives aimed at supporting rehabilitation and reducing the incarceration of women and men are reflected in a number of performance measures within the Prisoner Supervision and Support and Community-Based Offender Supervision outputs, including <i>‘Rate of prisoner participation in education’</i>, <i>‘Percentage of education modules successfully completed’</i>, <i>‘Proportion of eligible prisoners in employment’</i>, <i>‘Completion of violence-related programs for family violence offenders’</i>, <i>‘Community work hours performed’</i> and <i>‘Percentage of community work hours ordered that are completed’</i>.</p> <p>To provide additional context for initiatives aimed at reducing the rate of incarceration, measures related to the daily average number of prisoners and average daily utilisation rate of prison capacity have been disaggregated by gender from 2019-20, allowing assessment of trends specific to male and female prisoner populations.</p> <p>As part of the 2020-21 budget, the Department of Justice and Community Safety will explore options to develop additional performance measures that reflect new areas of service delivery in the future, subject to establishing appropriate data collection mechanisms and undertaking a period of internal monitoring to ensure the quality and integrity of reported data.</p>
<p>RECOMMENDATION 32: Additional funding allocated to the Royal Commission into the Management of Police Informants be reflected in the 2019–20 Budget Update.</p>	<p>Support in principle</p>	<p>Additional funding of \$20.5 million was announced by the Attorney-General on 25 May 2019, along with an extension in the reporting timelines following a broadening of the Royal Commission’s terms of reference in February 2019. Additional funding allocated to the Royal Commission into the Management of Police Informants will be reflected in the 2020-21 budget publication.</p>
<p>RECOMMENDATION 33: The Government include qualitative performance measures in the budget papers to assess the effectiveness of services provided to victims of crime.</p>	<p>Support</p>	<p>The Department of Justice and Community Safety is currently reviewing the performance measures relating to Victim Services, Support and Reform. The outcomes of a commissioned review of victim services will recommend significant changes to the case management system that could allow the introduction of a standardised approach to seeking victim feedback on the quality of services received. Victim services, both government and non-government, are also now subject to new monitoring functions of the Victims of Crime Commissioner where agency responses to victims’ complaints will be subject to review and reported on annually.</p>
<p>RECOMMENDATION 34: The Department of Justice and Community Safety develop budget paper performance measures to assess the effectiveness of the implementation of the 2017 Youth Justice Review and Strategy recommendations, including qualitative performance measures to assess the effectiveness of services and programs provided to at-risk and youth offenders.</p>	<p>Support</p>	<p>The Department of Justice and Community Safety (DJCS) is developing a Youth Justice Strategy following its review of the 2017 Youth Justice Review and Strategy recommendations. As part of the development of this strategy, DJCS is exploring options to strengthen its performance reporting to assess the effectiveness of services and programs provided to at-risk youth offenders, which will be considered for future budget papers.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action
RECOMMENDATION 35: The Department of Justice and Community Safety develop budget paper performance measures to address the overrepresentation of Aboriginal and Torres Strait Islander young people in detention.	Support	The Department of Justice and Community Safety is currently reviewing the performance measures relating to Youth Justice and is exploring options to strengthen reporting to assist in addressing and measuring of the representation of Aboriginal and Torres Strait Islander young people in detention. Agreed changes to Youth Justice performance measures will be reflected in the 2020-21 budget papers.
RECOMMENDATION 36: Where any departmental portfolio ends or is created, including a Department of Justice and Community Safety portfolio, this information be included in the budget papers together with the information about output movements as a result of these machinery of government changes.	Support	Movements to outputs across portfolios resulting from machinery of government changes are reflected in the table 'Changes to the Output Structure' in Chapter 2 of Budget Paper 3 which precede the outputs statement for all departments. In the 2019-20 Budget, the Department of Justice and Community Safety renamed the output 'Gambling, Liquor and Racing' to 'Gambling and Liquor Regulation' to reflect movement of the Racing portfolio to the Department of Jobs, Precincts and Regions (DJPR). The performance measures relating to the Racing portfolio were also transferred to DJPR and were reported under the new output 'Sport, Recreation and Racing' in the 2019-20 Budget Papers. Changes to the DJCS output structure will continue to be reflected in the 2020-21 budget papers.
RECOMMENDATION 37: The Department of Justice and Community Safety collect data on the proportion of its workforce who have a disability, in order to establish baseline data and meet the recruitment targets set out in the Government's Every Opportunity: Victorian economic participation plan for people with disability 2018–2020.	Support	The Department of Justice and Community Safety (DJCS) commenced the collection of data relating to the proportion of its workforce with a disability from 30 June 2019, providing its employees with the ability to self-identify through the employee self-service system. Accordingly, DJCS has established baseline data to monitor recruitment targets set out in the Government's Every Opportunity: Victorian economic participation plan for people with disability 2018–2020.

PAEC recommendation	Response	Action taken to date and commitment to further action
<p>RECOMMENDATION 38: The Department of Justice and Community Safety consider further disaggregating the performance measures relating to liquor and gambling license applications and revising the relevant targets to align with projections of revenue.</p>	<p>Support in principle</p>	<p>As part of the 2020-21 budget process, the Department of Justice and Community Safety is currently reviewing all targets for performance measures for Budget Paper 3. The target for the performance measure '<i>Liquor and gambling applications and licensee monitoring activities (VCGLR)</i>' was 50,000 in 2019-20 and the Department is working to ensure the target for the 2020-21 budget is in line with projections of demand and revenue.</p> <p>This performance measure is a composite of 20 sub-measures and includes a variety of licensing, assurance, monitoring and other activities. Accordingly, disaggregating Liquor and gambling applications and licensee monitoring activities (VCGLR) is not practical for the purposes of Budget Paper 3 reporting and the consolidated measure provides a meaningful mechanism to monitor and report on the demand for the licensing activities undertaken by the VCGLR.</p>
<p>RECOMMENDATION 39: The Department of Justice and Community Safety consider additional performance measures and targets for the 2020–21 Budget enabling assessment of funded crime prevention initiatives.</p>	<p>Support</p>	<p>The Department of Justice and Community Safety is currently reviewing the performance measures for the Crime Prevention portfolio and is proposing to make a number of changes to the performance measures and targets under the new output '<i>Crime Prevention, Fines and Enforcement</i>'. These changes will be reflected in the 2020-21 budget papers.</p>
<p>RECOMMENDATION 40: The Department of Treasury and Finance in consultation with all departments strengthen the footnotes in the budget papers to ensure they clarify the reasons for any absence in reporting against the expected outcome for performance measures in the budget papers.</p>	<p>Support in Principle</p>	<p>When preparing footnotes for proposed discontinued measures, departments are guided by Section 2.3 and Attachment 6 of the <i>Resources Management Framework</i>.</p> <p>The Department of Treasury and Finance will continue to work with departments to ensure explanations are reasonable to enable appropriate scrutiny of measures proposed to be discontinued.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action
<p>RECOMMENDATION 41: The Department of Justice and Community Safety review and amend the new performance measures 'Average daily out of cell hours' for secure and open prisons to ensure the targets that are based on historical performance levels are sufficiently challenging and drive continuous improvement.</p>	<p>Support in Principle</p>	<p>The Department of Justice and Community Safety (DJCS) bases the target for the performance measures relating to 'Average daily out of cell hours' on a number of factors including funded staffing levels, system capacity, resourcing and historical performance. DJCS reviews its targets annually as part of the budget process and the target for this performance measure is considered challenging based on current demand on rosters, and available programs and activities. Changes to the target for 'Average daily out of cell hours' would need to consider that there are appropriate resourcing requirements to maintain a safe environment.</p>
<p>RECOMMENDATION 42: The Department of Justice and Community Safety review the new performance measure 'Court and regulatory actions undertaken by the Victorian Commission for Gambling and Liquor Regulation' to improve the utility of reported performance information.</p>	<p>Support</p>	<p>The Department of Justice and Community Safety is currently reviewing the performance measures relating to Liquor and Gambling output. This includes replacing the existing performance measure 'Court and regulatory actions undertaken by the Victorian Commission for Gambling and Liquor Regulation' with the new performance measure 'Proportion of high harm breaches resulting in regulatory action'.</p>
<p>RECOMMENDATION 43: The Department of Environment, Land, Water and Planning incorporate into the budget papers performance measures relevant to the recommendations accepted by government from the review of Victoria's local government rating system.</p>	<p>Support in principle</p>	<p>The Department of Environment, Land, Water and Planning supports in principle the recommendation to create performance measures relevant to the recommendations accepted by government from the review of Victoria's local government rating system. Additional measures are being considered for inclusion in the 2020-21 budget.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action
RECOMMENDATION 44: Performance measures be considered which may provide insights into the effectiveness of the Government's investment in individual capital projects to strengthen water security for Victoria.	Support in principle	The Department of Environment, Land, Water and Planning supports in principle the recommendation to provide increased insights into the effectiveness of the Government's investment in individual capital projects to strengthen water security for Victoria. Work is currently being undertaken to develop performance measures for 2020-21 and beyond that will measure delivery of government's long-term plan for water, Water for Victoria.
RECOMMENDATION 45: The Department of Environment, Land, Water and Planning consider budget paper performance measures to monitor the Victorian water consumption target of 155 litres per person per day.	Support in principle	<p>The Department of Environment, Land, Water and Planning (DELWP) supports in principle public reporting against Target 155 and is working with the DTF to ensure there are appropriate performance measures in place. However, it is to be noted that:</p> <ul style="list-style-type: none"> • There is extensive and frequent reporting of performance against the target, including weekly reports of average household daily water use on Melbourne Water's website and annually in its annual report. • Water corporations do not receive funding from the State budget for Target 155. • DELWP has a number of existing performance measures relating to water efficiency.
RECOMMENDATION 46: The Department of Environment, Land, Water and Planning collect data on the proportion of its workforce who have a disability to meet the recruitment targets set out in the Government's Every Opportunity: Victorian economic participation plan for people with disability 2018–2020.	Support	<p>Due to limitations of the Department of Environment, Land, Water and Planning's (DELWP) Human Resource Information System's ability to collect certain aspects of personal data, DELWP has previously relied on data collected via the People Matter Survey for an indication of the proportion of DELWP staff who identify with having disability. This is a consistent methodology across the VPS for collecting disability data, as per Victorian Secretaries' Board agreement on the Getting to Work action plan.</p> <p>In 2019, DELWP ran its first Diversity and Inclusion Census, which asked a series of questions as to whether staff identified with having a disability. These two data points have provided DELWP with an understanding of the proportion of staff who identify with having a disability.</p> <p>DELWP's diversity and inclusion reporting definitions, which include a clear definition of disability, were confirmed by DELWP's Diversity and Inclusion Board in January 2020. These definitions will be used across all internal DELWP data and analytics reporting and will provide the opportunity for staff to self-identify on PeopleCentral, DELWP's Human Resource Information System.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action	
<p>RECOMMENDATION 47: The Department of Environment, Land, Water and Planning consider new performance measures and targets for the 2020–21 Budget providing insights into the effectiveness and efficiency of state-wide waste diversion and recycling initiatives.</p>	<p>Support in Principle</p>	<p>The Department of Environment, Land, Water and Planning supports in principle this recommendation and is working with the Department of Treasury and Finance to ensure there are appropriate measures in place. Performance measures are being considered for inclusion in the 2020-21 budget.</p>	
<p>RECOMMENDATION 48: Ahead of the 2020–21 Budget the Department of Environment, Land, Water and Planning consider the issues with the five new performance measures identified in relation to the Environment and Biodiversity; Solar Homes; Management of Public Land and Forests; Planning, Building and Heritage; and Local Government outputs.</p>	<p>Support in Principle</p>	<p>Output: Environment and Biodiversity New performance measure: Victorian local council sites supported to undertake infrastructure upgrades to safely dispose of e-waste (Quality) PAEC comment: The metric is more equivalent to a ‘quantity’ measure given its focus on reporting the number of local council sites supported. Consequently, the new metric lacks relevance to the performance attribute it purports to measure (i.e. ‘quality’). The measure should be reviewed.</p>	<p>The Department of Environment, Land, Water and Planning supports in principle this recommendation and is working with the DTF to ensure there are appropriate measures in place. Performance measures are being considered for inclusion in the 2020-21 budget.</p>
	<p>Support-in-Principle</p>	<p>Output: Solar Homes New performance measure: Rebated installations (i.e. solar PV, solar hot water systems and batteries) audited by Solar Victoria (Quality) PAEC comment: This measure does not provide any insights on ‘quality’, as it only reflects the number of installations audited. This measure should be reviewed.</p>	<p>The Department of Environment, Land, Water and Planning supports in principle the recommendation to review the new performance measure under the Solar Homes output. A revised performance measure will be considered for inclusion in the 2020-21 budget.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action	
	Support in Principle	<p>Output: Management of Public Land and Forests</p> <p>New performance measure: Native Title and Traditional Owner Settlement Act agreements being implemented by the Department (Quantity)</p> <p>PAEC comment: The utility of this measure is low as it does not provide insights into the timeliness of specific implementation activities.</p> <p>The measure also focuses on basic minimum standards because it relates to the Department's implementation of its obligations within its negotiated legal agreements.</p> <p>The measure should be reviewed.</p>	<p>The Department of Environment, Land, Water and Planning supports in principle this recommendation and is working with the DTF to ensure there are appropriate measures in place. Performance measures are being considered for inclusion in the 2020-21 budget.</p>
	Support in Principle	<p>Output: Planning, Building and Heritage</p> <p>New performance measure: Government buildings identified as high priority that have commenced cladding rectification (Quantity)</p> <p>PAEC comment: By only focusing on government buildings, and the absolute number of commencements, this measure offers limited insight into the extent to which funded works have started and been completed on all high risk government and privately owned buildings.</p> <p>The measure should be revised.</p>	<p>The Department of Environment, Land, Water and Planning supports extending the '[g]overnment buildings identified as high priority that have commenced cladding rectification' to private buildings. New performance measures will be considered for inclusion in the 2020-21 budget.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action	
	Support in Principle	<p>Output: Local Government</p> <p>New performance measure: Average number of monthly page views on www.knowyourcouncil.vic.gov.au (Quantity)</p> <p>PAEC comment: Although it is a relevant 'quantity' metric that should be retained, its usefulness as a measure of engagement is limited by the absence of supporting metrics reflecting user satisfaction.</p>	<p>This BP3 performance measure was included in the Department of Environment, Land, Water and Planning (DELWP) 2019-20 Departmental Performance Statement. It supports this recommendation in principle to review the performance measure. However, it is to be noted that other typical site satisfaction indicators such as 'Bounce rate' or 'Session duration' are misleading when read out of context and prone to influence by a multitude of other factors outside of a website owner's control. Further, qualitative user satisfaction data from a public facing website cannot be captured or measured reliably. With these factors taken into consideration, it is the department's view that the existing performance measure, 'Average number of page views' represents the least ambiguous indicator of website usage.</p> <p>As the Local Government output and therefore this performance measure has transferred to the Department of Jobs Precincts and Regions (DJPR) from 1 July 2020, the department will work with the Department of Treasury and Finance to identify if there are any more appropriate performance measures.</p>
RECOMMENDATION 49: The Department of Jobs, Precincts and Regions consider developing budget paper performance measures relevant to key targeted actions contained in the Creative State 2020–24 strategy.	Support in Principle	<p>The Department of Jobs, Precincts and Regions (DJPR) will consider developing measures once 2020-21 budget outcome is known and the Creative State 2020-24 strategy is approved.</p> <p>DJPR will work with the Department of Treasury and Finance to identify suitable performance measures.</p>	
RECOMMENDATION 50: The Department of Jobs, Precincts and Regions consider specific budget paper performance measures and targets for Victoria Live.	Support in Principle	<p>The Department of Jobs, Precincts and Regions (DJPR) will consider developing measures once the Victoria Live program has a finalised implementation plan. Discussions are currently underway.</p> <p>DJPR will work with the Department of Treasury and Finance to identify suitable performance measures.</p>	

PAEC recommendation	Response	Action taken to date and commitment to further action	
<p>RECOMMENDATION 51: Where a department or portfolio is created, including a Department of Jobs, Precincts and Regions portfolio, this information be included in the budget papers together with the information about output movements as a result of these machinery of government changes.</p>	Support	<p>The Department of Jobs, Precincts and Regions (DJPR) will continue to disclose changes in outputs as a result of machinery of government movements in line with Department of Treasury and Finance issued Budget Paper 3 guidance.</p>	
<p>RECOMMENDATION 52: The Department of Jobs, Precincts and Regions review and expand on the quality and timeliness performance measures for suburban revitalisation projects in the budget papers.</p>	Support in Principle	<p>The Department of Jobs, Precincts and Regions will consider this feedback as part of the 2020-21 budget Departmental Performance Statement process subject to renewal funding being provided for this lapsing initiative. This measure is proposed to be discontinued if funding does not receive approval in the budget process.</p>	
<p>RECOMMENDATION 53: Ahead of the 2020–21 Budget, the Department of Jobs, Precincts and Regions address the issues with the 11 new performance measures identified in relation to the following outputs: Priority Precincts and Suburban Development; Agriculture Industry Development and Regulation; Biosecurity and Agriculture Services; Resources; Sport, Recreation and Racing, and Trade and Global Engagement.</p>	Support	<p>Output: Priority Precincts and Suburban Development New performance measure: Priority precincts in the design or delivery phase (Quantity)</p>	<p>This measure is proposed to be discontinued as it has been replaced by the 2020-21 performance measure 'Priority precincts under active management' to more appropriately reflect that a Priority Precinct could both be in the design and delivery phase concurrently. PAEC's feedback on increasing the measure's 'adequacy of progress' has been addressed through the introduction of the new timeliness measure 'Integrated Precinct Plans in place for all identified Priority Precincts by 30 June 2021'.</p>
	Support	<p>Output: Priority Precincts and Suburban Development New performance measure: Integrated Precinct Plans in place for priority precincts in the design or delivery phase (Quality)</p>	<p>This measure is proposed to be discontinued as it has been replaced by the 2020-21 performance measure 'Key stakeholders satisfied with the services provided by the Precincts and Suburbs Group' that addresses PAEC feedback that the measure should be adjusted to provide a more relevant and reliable assessment of quality.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action	
	Support	Output: <i>Priority Precincts and Suburban Development</i> New performance measure: Delivery of financial obligations for departmental Public Private Partnership projects in accordance with contractual timelines (Timeliness)	This measure is proposed to be discontinued as it has been replaced by the 2020-21 performance measure 'Integrated Precinct Plans in place for all identified Priority Precincts by 30 June 2020-21' that addresses PAEC feedback to provide more meaningful insights into the Department's timeliness in planning and delivering the State's priority precincts. The new measure also increases the insight provided into the adequacy of progress achieved.
	Support	Output: Priority Precincts and Suburban Development New performance measure: Projects in the planning or delivery phase to support and facilitate the revitalisation of Broadmeadows and Frankston (Quantity)	The department will consider this feedback as part of the 2020-21 budget Departmental Performance Statement process, subject to renewal funding being provided for this lapsing initiative. This measure is proposed to be discontinued if funding does not receive approval in the budget process.
	Support	Output: Agriculture New performance measure: Strategic agriculture industry development and regulatory policy briefings (Quantity)	The Department of Jobs, Precincts and Regions accepts the recommendation that the previous performance measure be reinstated, and the department will discontinue this new performance measure in the 2020-21 Department Performance Statement as it would be a duplication.
	Support	Output: Agriculture New performance measure: Number of workshops / mentoring programs (Quantity)	The Department of Jobs, Precincts and Regions will rename the measure to 'Number of small scale local and craft producers attending workshops / mentoring programs' in the 2020-21 Department Performance Statement. The new measure reports on the same activity as the previous measure however has been amended for increased clarity.

PAEC recommendation	Response	Action taken to date and commitment to further action	
	Support	Output: Agriculture New performance measure: Animal and plant certificates issued within specified timeframes to support domestic and international market access. (Timeliness)	The Department of Jobs, Precincts and Regions accepts the recommendation that the two previous measures be reinstated, and the department will discontinue this new performance measure in the 2020-21 Department Performance Statement as it would be a duplication.

PAEC recommendation	Response	Action taken to date and commitment to further action	
	Not Support	<p>Output: Agriculture</p> <p>New performance measure: Clients engaged with agriculture services (Quantity)</p>	<p>The Department of Jobs, Precincts and Regions provides further information on its intention to retain the new measure in the 2020-21 Department Performance Statement. The new measure that replaced the two former measures is an improved approach as it provides a more appropriate and meaningful measure for reporting to Parliament and the public.</p> <p>The new measure reflects the shift in focus to the more integrated nature of agriculture services and is inclusive of productivity, biosecurity, traceability and sustainability objectives. For example, new sustainable practices are more likely to be adopted by farmers when they result in both land health and productivity benefits. Therefore, the distinction between delivery of services for solely land health and productivity practice changes is no longer appropriate.</p> <p>The target for the new measure in the 2019–20 budget papers does not need to reconcile with the sum of the targets for the discontinued measures. The two former measures were calculated by different methods.</p> <p>The former measure on engagement in productivity services counts the number of clients engaged where an individual is only counted once in a reporting year. The previous land health measure counted the number of client interactions with land health services and one client could have multiple interactions counted in a reporting year. As such it is not possible or appropriate to add together the individual targets of the previous measures to provide a target for the new replacement measure.</p> <p>The new measure reports on engagements (an individual counted once in a reporting year) across agriculture services targeting productivity, biosecurity, traceability and sustainability outcomes providing more meaningful and appropriate reporting to Parliament and the public.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action	
	Not Support	<p>Output: <i>Resources</i></p> <p>New performance measure: Extractive Industries Work Authority work plans processed within regulatory timeframes (Timeliness)</p>	<p>The Department of Jobs, Precincts and Regions has assessed the extractives performance measure as sufficiently challenging based on the expected growth in the extractives sector, with extractives production increasing 40 per cent from 2015-16 to 2018-19 and further increases forecast over the next decade. The growth in extractives is due to increasing demand from Victoria's growing population and the State's significant infrastructure program for new roads and public transport. Prior to the earth resources regulation improvement program in 2018-19, the level of regulatory approvals performance was at 70 per cent (compared to the target of 95 per cent), highlighting the challenges involved in meeting regulatory timeframes.</p> <p>The extractives performance measure has been framed on the same basis as the 'Industry geoscience data packages released for minerals and petroleum sectors consistent with agreed timelines' measure to ensure consistency in reporting regulatory approvals performance.</p>
	Support	<p>Output: <i>Sport, Recreation and Racing</i></p> <p>New performance measure: Facilitate the delivery of the Community Cricket Program milestones in line with grant agreements (Timeliness)</p>	<p>The Department of Jobs, Precincts and Regions has assessed the measure and proposed to rename the performance measure to 'Community Cricket Program milestones delivered within agreed timeframes', which will provide clarity on what is being measured.</p>
	Not Support	<p>Output: <i>Trade and Global Engagement</i></p> <p>New performance measure: Visits to the Global Victoria website (Quantity)</p>	<p>The Department of Jobs, Precincts and Regions (DJPR) will consider supplementing its quantitative measure with qualitative measures to provide a more comprehensive picture of engagement once budget funding is provided.</p> <p>DJPR will work with the Department of Treasury and Finance to identify suitable performance measures.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action	
<p>RECOMMENDATION 54: The Assistant Treasurer, in conjunction with the Department of Jobs, Precincts and Regions, review the issues raised with the five discontinued measures identified in relation to the Agriculture output.</p>	Not Support	Discontinued performance measure: Client interactions with land health services	The Department of Jobs, Precincts and Regions provides further information on why it does not intend to reinstate the performance measure in the 2020-21 Department Performance Statement. The discontinued measure no longer reflects the shift in focus to the more integrated nature of agriculture services and is inclusive of productivity, biosecurity, traceability and sustainability objectives. For example, new sustainable practices are more likely to be adopted by farmers when they result in both land health and productivity benefits. Therefore, the distinction between delivery of services for solely land health and productivity practice changes is no longer appropriate.
	Not Support	Discontinued performance measure: Clients engaged with agriculture productivity services	The Department of Jobs, Precincts and Regions provides further information on why it does not intend to reinstate the performance measure in the 2020-21 Department Performance Statement. The discontinued measure no longer reflects the shift in focus to the more integrated nature of agriculture services and is inclusive of productivity, biosecurity, traceability and sustainability objectives. For example, new sustainable practices are more likely to be adopted by farmers when they result in both land health and productivity benefits. Therefore, the distinction between delivery of services for solely land health and productivity practice changes is no longer appropriate.
	Support	Discontinued performance measure: Strategies developed to overcome identified trade barriers	The Department of Jobs, Precincts and Regions accepts the recommendation to reinstate this performance measure which will be made in the 2020-21 Department Performance Statement.
	Support	Discontinued performance measure: Animal health certificates issues within specified timeframes to support international market access	The Department of Jobs, Precincts and Regions accepts the recommendation to reinstate this performance measure which will be made in the 2020-21 Department Performance Statement.

PAEC recommendation	Response	Action taken to date and commitment to further action	
	Support	Discontinued performance measure: Plant health certificates issued within specified timeframes at the Melbourne Wholesale Fruit and Vegetable Market to support domestic market access	The Department of Jobs, Precincts and Regions accepts the recommendation to reinstate this performance measure which will be made in the 2020-21 Department Performance Statement.
RECOMMENDATION 55: Court Services Victoria collect data on the proportion of its workforce who have a disability to meet the recruitment targets set out in the Government's Every Opportunity: Victorian economic participation plan for people with disability 2018–2020.	Support	<p>Court Services Victoria (CSV) undertook the following actions:</p> <ol style="list-style-type: none"> 1. Updated the Personal Details Form, which new employees complete upon commencement. The revised form was uploaded to the CSV intranet and Word Menu and has been provided to all HR practitioners across CSV. The form was amended to: <ul style="list-style-type: none"> • re-word the existing question to: Are you a person with disability? • add three response options: No disability, With disability, Prefer not to say. 2. Updated CSV's human resource self-service portal, CPay, to include a self-selection drop-down menu to enable the collection of data relating to employees with a disability. CSV developed and circulated communications for current employees explaining how to update their disability details in CPay. 3. Put measures in place to track responses regarding employees with disabilities across CSV 4. Established membership with the Australian Network on Disability to provide support and information to CSV and its employees. 5. Reviewed CSV's recruitment practices, policies, procedures and associated materials to identify and address potential barriers to its recruitment and selection process for people with disability. CSV is continuing to work through the review recommendations including updating its 'Recruitment at CSV' training program and reviewing materials related to workplace adjustments. 6. Provided 'Disability Confident Recruiter Training' sessions during 2019 for HR practitioners and hiring managers. Further training programs will be conducted each year. <p>CSV notes that disclosure of disability information is a personal decision for each employee and some may not be comfortable to do so. However, all employees are encouraged to disclose their disability, confidentially if preferred, and are supported through workplace adjustments as required.</p>	

PAEC recommendation	Response	Action taken to date and commitment to further action	
RECOMMENDATION 56: The 2020–21 Budget specify the amounts allocated to each department to realise the \$1.7 billion Whole of Government efficiencies outlined in the 2019–20 Budget.	Support in principle	The Department of Treasury and Finance notes the Whole of Government efficiencies outlined in the 2019-20 Budget are to be allocated to Departments following the Government’s consideration of the recommendations of the expenditure base reviews. Efficiencies generated will be published in budget papers as they are applied.	
RECOMMENDATION 57: The Department of Premier and Cabinet consider introducing performance measures in the 2020–21 budget papers to gauge outcomes of the Government’s equality policies, programs and capital expenditure.	Support in principle	During the 2020–21 financial year, the Department of Premier and Cabinet will investigate options for performance measures that can better demonstrate the outcomes from equality policies, programs and capital expenditure.	
RECOMMENDATION 58: Ahead of the 2020–21 Budget, the Department of Premier and Cabinet consider the issues with the five new performance measures identified in relation to the Aboriginal Policy; Public Sector Integrity, Youth; and Industrial Relations outputs.	Support in principle	<p>Output: Aboriginal policy, strengthening Aboriginal cultural heritage and communities</p> <p>New performance measure: Delivery of an annual Premier's Gathering and a public report on outcomes for Aboriginal Victorians to be tabled in parliament (Quantity)</p>	Ahead of the 2020–21 budget, the Government will consider changing this performance measure so that it measures performance for delivery of both the ‘Victorian Government Aboriginal Affairs Report’ and the ‘Advancing the Treaty Process with Aboriginal Victorians’ annual report. This new measure would then use the same unit of measurement and capture activity across the Aboriginal Affairs portfolio.
	Support in principle	<p>Output: Aboriginal policy, strengthening Aboriginal cultural heritage and communities</p> <p>New performance measure: Engagement of Victorian Traditional Owner groups on treaty, through support for country planning (Quantity)</p>	Since introducing this performance measure in 2019–20 there has been a shift towards broader Traditional Owner nation-building support. The Government will consider making it clearer in the 2020–21 Budget of what the new metric is measuring. DPC would like the measure to better reflect the support the Government will provide Victorian Traditional Owner groups through nation-building ¹ services. The Government will deliver these services through service providers, helping to ensure treaty readiness.

¹ Nation-building services include healing and family reunification, cultural knowledge sharing, advice on formal recognition processes, treaty education and policy development.

PAEC recommendation	Response	Action taken to date and commitment to further action
	Not support	<p>Output: Public sector integrity</p> <p>New performance measure: Councillor Conduct Panel applications within 30 days of sustained allegations (Timeliness)</p> <p>The timeliness of investigations leading to sustained allegations will vary depending on resource availability and the nature, complexity and seriousness of the complaint. The Local Government Inspectorate aims to complete investigations in a timely manner. However, the duration of investigations is determined by a range of factors including the availability of evidence and forensic services and the cooperation of witnesses. The timeliness of investigations leading to sustained allegations is therefore not an effective measurement of performance.</p>
	Support in principle	<p>Output: Youth</p> <p>New performance measure: Number of Scout Hall Capital Projects Completed (Quantity)</p> <p>Ahead of the 2020–21 budget, the Department of Premier and Cabinet will consider amending the target for this performance measure to a discrete number of projects completed, based on the Government’s contribution.</p>
	Support in principle	<p>Output: Industrial Relations</p> <p>New performance measure: Long service leave investigations commenced within 90 days of lodgement (Timeliness)</p> <p>The Department of Premier and Cabinet will review the long service leave timeliness performance measure, including the timeliness of completing investigations, ahead of the 2021–22 budget.</p>
<p>RECOMMENDATION 59: The Assistant Treasurer, in conjunction with the Department of Premier and Cabinet, review the two discontinued performance measures identified in relation to the Aboriginal Policy, Strengthening Aboriginal Cultural Heritage and Communities output.</p>	Support in principle	<p>Discontinued performance measure: Premier’s Gatherings and Community Consultations conducted</p> <p>For the 2020–21 budget, the Government does not expect to reinstate this performance measure. The measure was introduced in the 2016–17 Budget to reflect new funding for the ‘Aboriginal self-determination and strong Aboriginal culture’ initiative (2016–17 BP3 page 6).</p> <p>In the 2019–20 Budget, the ‘Community Consultations’ aspect of the measure has been incorporated into the new ‘Engagement of Victorian Traditional Owner groups on treaty, through support for country planning’ measure. As per DPC’s response to Recommendation 58, the Government will consider making it clearer in the 2020–21 budget of what this metric is measuring.</p> <p>Regarding the Premier’s Gatherings aspect of the measure, this is no longer considered to be a relevant measure of activity across the portfolio.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action	
	Support in principle	Discontinued performance measure: Delivery of the Victorian Government Aboriginal Affairs Report to parliament	For the 2020–21 budget the Government will consider including this metric in a performance measure that demonstrates delivery of both the 'Victorian Government Aboriginal Affairs Report' and the 'Advancing the Treaty Process with Aboriginal Victorians' annual report.
RECOMMENDATION 60: Ahead of the 2019–20 Budget the Department of Treasury and Finance consider new performance measures and targets to provide insights into the impact of Invest Victoria on building the State's investment capability	Support	The Department of Treasury and Finance will work with Invest Victoria on reviewing 2019-20 performance measures ahead of the 2020-21 budget, including performance measures and targets that provide insights into the impact of Invest Victoria on building the State's investment capability.	
RECOMMENDATION 61: The Department of Treasury and Finance review Financial Reporting Direction 24D — 'Reporting of Office-based Environmental Impacts by Government Entities' and the Environmental impact in procurement – procurement guide to consider whether it should be amended to align with the Social Procurement Framework.	Support	As implementation of the Social Procurement Framework continues, DTF is reviewing all procurement documentation, including directions and guides, to ensure consistency across requirements. An earlier stage of this process has previously aligned construction procurement requirements, including reporting, with those covering procurement of goods and services. FRD 24D and the procurement guide will be covered in this ongoing process.	
RECOMMENDATION 62: Ahead of the 2010-21 Budget, the Department of Treasury and Finance consider the issues with the three new performance measures identified in relation to the Revenue Management and Administrative Services to Government and Economic Regulatory Services outputs.	Support	The DTF will work with the State Revenue Office and the Essential Services Commission on reviewing performance measures for the 2020-21 budget, including the issues identified.	

PAEC recommendation	Response	Action taken to date and commitment to further action
RECOMMENDATION 63: The Department of Parliamentary Services collect data on the proportion of its workforce that identify as Indigenous or as having a disability.	N/A	The Department of Parliamentary Services will respond directly to Parliament in relation to this recommendation.