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**Government Responses to the Recommendations of**  
**PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE'S**  
**Report on the 2025-26 Budget Estimates**

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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 2025-26 Budget Estimates.

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

<b>1</b> <b>PAEC recommendation</b>	<b>2</b> <b>Response</b>	<b>3</b> <b>Action taken to date and commitment to further action</b>
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Column 1: Contains PAEC's recommendations as published in its Report on the 2025-26 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
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<p><b>RECOMMENDATION 1</b></p> <p>The Department of Premier and Cabinet adopt a best practice model of routinely publishing all program evaluations, including lapsing program evaluations, on a central registry.</p>	Support-in-Principle	The government supports the intent of this recommendation in principle. The government will consider this recommendation in the context of whole-of-government priorities, existing accountability arrangements, and Cabinet-in-confidence requirements.
<p><b>RECOMMENDATION 2</b></p> <p>The Department of Health identify ways to report on the impacts of financial reform and financial discipline measures undertaken in 2024-25 and 2025-26 on Victoria's health system and publish information about these impacts.</p>	Support	The Department has, since 2024 implemented a range of funding reforms in Victoria's health system to ensure a fit-for-purpose funding model. Alongside these reforms, Hospitals Victoria was established to provide greater financial oversight, accountability and discipline to the sector. The results of these reforms can be seen in the Health Service Annual Reports that are published online each year. Those reports are all audited by VAGO and show the impacts of the full suite of financial pressures on health services. In particular, those reports show the changes in employee and non-employee expenditure of health services. In addition, the Department's annual reports also provide sector-wide financial measures and Departmental outputs relevant to the funding reforms. These include expenditure across output groups, including employee expenses. These provide the overall impact of the reforms and funding provided by the Department.
<p><b>RECOMMENDATION 3</b></p> <p>When responding to the Public Accounts and Estimates Committee's recommendations, the Victorian Government and all applicable government departments and agencies address the content of the recommendation fully in their response.</p>	Support	In responding to PAEC recommendations, the Victorian Government and all applicable government departments and agencies will address the content of PAEC recommendations fully in their response.
<p><b>RECOMMENDATION 4</b></p> <p>The Department of Education or the Victorian School Building Authority find an appropriate public mechanism to publish demand and condition information that demonstrates how asset investment priorities are determined for new and existing schools.</p>	Support-in-Principle	<p>The Department of Education (the department):</p> <ul style="list-style-type: none"> <li>• will provide information to outline the department's approach to planning for new schools/campuses and expansions of existing schools on a departmental website</li> <li>• has provided information explaining asset condition information on a departmental website: Looking after school buildings and grounds   <a href="https://www.schoolbuildings.vic.gov.au/looking-after-school-buildings-grounds">https://www.schoolbuildings.vic.gov.au/looking-after-school-buildings-grounds</a></li> </ul>

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<p><b>RECOMMENDATION 5</b></p> <p>The Department of Treasury and Finance create specific targets and timelines for its goal of reducing interest payments on debt as a proportion of general government sector operating revenue and publish these in the budget papers.</p>	<p>Support-in-Principle</p>	<p>Steps 4 and 5 of the Government's fiscal strategy are to stabilise and then reduce net debt as a percentage of GSP by the end of the forward estimates. These steps involve progressively improving the operating cash surpluses while growing the economy. These surpluses will fund a higher proportion of capital expenditure, reducing the reliance on borrowings.</p> <p>The General government sector debt management strategy has the objectives of minimising interest cost and controlling interest rate risk by spreading borrowings relatively evenly over a 15-year horizon.</p> <p>This strategy assists in stabilising interest expenses by managing the amount of debt that is either maturing or subject to resetting of interest rates. This reduces the risk of large amounts of debt being subject to movements in interest rates in any particular period.</p> <p>In the <i>2025-26 Budget</i>, interest expense as a share of total revenue is expected to average 8.0 per cent a year over the budget and forward estimates.</p> <p><b>DTF</b> will continue working with Government on the parameters of its fiscal strategy.</p>
<p><b>RECOMMENDATION 6</b></p> <p>The Department of Treasury and Finance set measures and targets for achieving fiscal net cash surpluses and reducing gross debt as a proportion of public sector operating revenue and publish them in the budget papers.</p>	<p>Support-in-Principle</p>	<p>In response to the COVID-19 pandemic, the Government developed a comprehensive fiscal strategy in the <i>2020-21 Budget</i> to protect Victorian households and businesses and provide a strong foundation for recovery. This initially involved a four-step plan to support Victorians, grow the economy and return to surpluses over the medium term.</p> <p>The Government has consistently reported on its progress over the last five years, and updated the plan in the <i>2024-25 Budget</i> to introduce a fifth step.</p> <p>The <i>2025-26 Budget</i> forecasts the achievement of step 4: stabilising net debt levels as a proportion of GSP from 2026-27.</p> <p>The fifth step - introduced in the <i>2024-25 Budget</i>- involves reducing net debt as a percentage of GSP. Net debt to GSP is forecast to decline from 25.2 per cent in 2026-27 to 25.0 per cent in 2027-28 and then decline further to 24.9 per cent in 2028-29.</p> <p><b>DTF</b> will continue working with Government on the parameters of its fiscal strategy.</p>
<p><b>RECOMMENDATION 7</b></p> <p>The Department of Treasury and Finance amend the model report to require departments to report on the delivery of saving initiatives in their annual reports.</p>	<p>Not Support</p>	<p>Departments report on savings measures through their responses to the PAEC questionnaire, noting that savings measures are often complex and achieved through a combination of operating efficiencies, reprioritisations and workforce re-calibration.</p> <p>The purpose of the departmental annual report is to provide an overview of financial performance, operational achievements and strategic direction over the past year.</p>

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<p><b>RECOMMENDATION 8</b></p> <p>In future budgets, the Department of Treasury and Finance and the Department of Health outline reasons why a project schedule was revised in Budget Paper No. 4 when a project has a revised completion date.</p>	Support-in-Principle	The Department of Health, in coordination with the Department of Treasury and Finance, will continue to provide explanatory footnotes in Budget Paper No. 4 outlining reasons for changes to project schedules.
<p><b>RECOMMENDATION 9</b></p> <p>The Department of Health update its response to Recommendation 11(3) on its website to provide information regarding how, where, and when it will deliver the 100 additional mental health beds across Victoria.</p>	Support	<p>Information on the delivery of the mental health beds expansion program is available on the Victorian Health Building Authority website.</p> <p>The Department of Health will work with VIDA Health to ensure that updated information is made available on the Department of Health <a href="#">Recommendation 11 website</a> about the delivery of additional mental health beds across Victoria.</p>
<p><b>RECOMMENDATION 10</b></p> <p>The Department of Education review the <b>NAPLAN</b> performance measure targets for primary and secondary schooling outcomes in the budget papers to reflect the improvement measure targets set out in the national Better and Fairer Schools agreement.</p>	Support-in-Principle	The Department of Education will consider target setting options for NAPLAN primary and secondary performance measures pending national agreement on reporting requirements under the Better and Fairer Schools Agreement.

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<p><b>RECOMMENDATION 11</b></p> <p>The Department of Justice and Community Safety review its prison workforce strategy in light of the expected increase of Victoria's prison population and following this, increases to Victoria's correctional officer staffing levels.</p>	<p>Support-in-Principle</p>	<p>A review process is already established within Corrections Victoria's Prison Workforce Strategy. The Strategy was launched in October 2024 and sets out five focus areas for the next 10 years:</p> <ul style="list-style-type: none"> <li>• Attraction, recruitment and merit-based promotion</li> <li>• Building and retaining a skilled, knowledgeable and capable workforce</li> <li>• Promoting the safety and wellbeing of the workforce</li> <li>• Enhancing Aboriginal cultural safety</li> <li>• Building a continuous improvement culture</li> </ul> <p>The Strategy includes 10-year outcomes and sets the organisation up to deliver its vision of 'Safer Prisons, Safer People, Safer Communities' and build a supported workforce that has the skills, values and competencies needed to deliver correctional services to the highest standard.</p> <p>As part of the Strategy, Corrections Victoria has developed an evaluation framework to measure progress, talk to the workforce about their priorities and set new actions every 2 years. These processes are continuous and new two-year actions will be set by the end of 2026. This process will allow Corrections Victoria to ensure that two-year commitments consider the prison network configuration and current system pressures as appropriate.</p>
<p><b>RECOMMENDATION 12</b></p> <p>The Department of Justice and Community Safety develop a set of performance measures relating to correctional staff retention, workplace safety and/or workplace satisfaction.</p>	<p>Not Support</p>	<p>The Department of Justice and Community Safety (DJCS) supports reporting on correctional staff retention, workplace safety, and workplace satisfaction to monitor and evaluate the operational health of the corrections system.</p> <p>The inclusion of performance measures relating to correctional staff retention, workplace safety and workplace satisfaction in the Department Performance Statement (DPS) would not comply with the requirements set out in the Resource Management Framework (RMF). This is because such metrics would relate to inputs that support provision of correctional services to the community, rather than the delivery of the outputs themselves.</p> <p>Internal reporting on correctional staff safety, satisfaction, and retention is conducted regularly as part of business-as-usual activities.</p>

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<p><b>RECOMMENDATION 13</b></p> <p>The Department of Justice and Community Safety introduce a timeliness performance measure in the 2026-27 Budget for Victims of Crime Financial Assistance Scheme payments made within 30 days, to bring payments made under the scheme in line with the departmental payment target.</p>	<p>Under Review</p>	<p>The Victims of Crime Financial Assistance Scheme commenced operation on 18 November 2024. To reflect its introduction, the Department of Justice and Community Safety (DJCS) introduced 2 new performance measures to the Department Performance Statement as part of the 2025-26 Budget as follows:</p> <ul style="list-style-type: none"> <li>• Number of applications lodged with the Victims of Crime Financial Assistance Scheme</li> <li>• Proportion of applicants that are satisfied with the Victims of Crime Financial Assistance Scheme service and agree that their recovery needs are met</li> </ul> <p>At the time these measures were introduced, the scheme was still in its early stages of development. As the scheme matures, DJCS will continue to explore opportunities to enhance the existing suite of performance measures to ensure they remain relevant, effective, and reflective of client service delivery. DJCS will consider options for introducing further timeliness measures in future budget cycles if appropriate.</p>
<p><b>RECOMMENDATION 14</b></p> <p>The Department of Justice and Community Safety maintain the performance measure proposed to be discontinued relating to the liquor regulator's client services delivery until a suitable replacement measure is developed.</p>	<p>Under Review</p>	<p>The Department of Justice and Community Safety (DJCS) reviews its Department Performance Statement (DPS) annually to ensure its ongoing relevance and alignment with the requirements of the Resource Management Framework. The Liquor Control Victoria (LCV) measure 'Calls to liquor regulator client services answered within 60 seconds' was proposed to be discontinued in 2025-26 as LCV is focused on enhancing service delivery through improved processing times, new digital application forms, and website improvements. LCV's goal is to reduce the number of emails and phone calls it receives by making it easier for licensees and applicants to access the information they need. By strengthening self-service options, LCV seeks to streamline application processes, enhance efficiency, and improve the overall experience for those applying for or managing their licenses. Diverting resources to focus on improving call speed would not be an efficient or effective means to achieve these goals, and so the measure is no longer appropriate or representative of LCV's service delivery model.</p> <p>The DJCS DPS contains 9 performance measures relating to LCV's service delivery, which were reviewed and updated in the lead up to the 2025-26 Budget to ensure that they remain consistent with the objectives of the regulator and align with the expectations of clients and stakeholders. This included introducing a new timeliness measure 'Average number of days for liquor licence applications to be finalised', along with other changes that better represent LCV's service delivery goals. DJCS and LCV will continue to explore opportunities to enhance the existing suite of performance measures to ensure they remain relevant, effective, and reflective of client service delivery by the regulator.</p>

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<p><b>RECOMMENDATION 15</b></p> <p>In future budget papers, the Department of Treasury and Finance report the proportion of each department or entity's total estimated investment in capital projects that is funded by the Commonwealth Government.</p>	Support-in-Principle	The Department of Treasury and Finance will continue to report Commonwealth infrastructure project funding details with disclosure in Budget Paper No.4 footnotes where a project includes funding by the Commonwealth Government, thereby maintaining consistency of reporting and ongoing transparency.
<p><b>RECOMMENDATION 16</b></p> <p>The Minister for the Suburban Rail Loop and the Department of Transport and Planning publish an update on the recommendations contained in Infrastructure Australia's report.</p>	Support	The Department of Transport and Planning (DTP) is working closely with the Commonwealth - Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts on the provision of information required to support further funding from the Commonwealth Government as a key partner in delivering the Suburban Rail Loop (SRL). The Federation Funding Agreements Framework outlines the principles and institutional arrangements governing funding agreements between the Commonwealth and States. DTP will consider any updates to Infrastructure Australia recommendations following Commonwealth funding decisions.
<p><b>RECOMMENDATION 17</b></p> <p>The Suburban Rail Loop Authority or Department of Transport and Planning publish an updated cost-benefit analysis of the Suburban Rail Loop East project.</p>	Not Support	The SRL Business and Investment Case (BIC) outlines the strategic rationale for SRL between Cheltenham and Melbourne Airport and focuses on establishing the specific case for investment in SRL East and SRL North. It describes and quantifies the significant and long lasting benefits and outcomes to be delivered by SRL and its ability to facilitate land use change and deliver economy wide productivity and social benefits. The SRL BIC is publicly available on the Big Build website.
<p><b>RECOMMENDATION 18</b></p> <p>The Suburban Rail Loop Authority and/or Department of Transport and Planning publish details of the value capture mechanisms it will use to fund the Suburban Rail Loop East project.</p>	Support	The Department of Treasury and Finance notes that the value capture package for Suburban Rail Loop (SRL) East was announced in December 2025. The value capture measures will apply in SRL East precincts and will harness existing taxes along with some new measures. The package comprises land tax and windfall gains tax revenue associated with SRL East precincts, a car parking charge, Infrastructure Contribution Plan levy and State initiated development returns.

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<p><b>RECOMMENDATION 19</b></p> <p>The Department of Transport and Planning address the issues identified by the Committee in relation to a new performance measure in the Ports and Freights output.</p>	Support	The Department of Transport and Planning will consider the Committee's findings and assess the alignment of performance measures with the Resource Management Framework.
<p><b>RECOMMENDATION 20</b></p> <p>In future questionnaire responses and Department Performance Statements in the budget papers, the Department of Transport and Planning provide specific explanations for annual changes in performance measure targets that provide enough information to understand the factors informing the change, beyond the number of works scheduled for completion.</p>	Support-in-Principle	The Department of Transport and Planning supports-in-principle the recommendation to provide more detailed explanations for annual changes in performance measure targets, where this is possible in line with publication conventions.
<p><b>RECOMMENDATION 21</b></p> <p>The Department of Transport and Planning consider replacing or supplementing performance measures that count a quantity with more unit cost and proportional measures that better reflect service efficiency and effectiveness.</p>	Support-in-Principle	The Department of Transport and Planning will assess the suitability of incorporating additional output performance measures that reflect the efficiency and effectiveness of services delivered for inclusion in the Departmental Performance Statement, in accordance with the Resource Management Framework.
<p><b>RECOMMENDATION 22</b></p> <p>The Department of Families, Fairness and Housing include performance measures related to its food relief activities in the next budget.</p>	Support-in-Principle	Subject to government investment decisions through future State Budgets, the Department of Families, Fairness and Housing will consider appropriate performance measures for future food relief initiatives.

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<p><b>RECOMMENDATION 23</b></p> <p>The Department of Families, Fairness and Housing report through an appropriate mechanism on the changing demand for food relief in Victoria over time and by how much its activities meet this demand.</p>	Support-in-Principle	<p>The rate of food insecurity in Victoria is monitored and reported through the annual Victorian Population Health Survey, administered by the Department of Health. As per the Victorian Government response to the Parliamentary Inquiry into Food Security in Victoria (Recommendation 14), government will review and consider further opportunities to more precisely monitor food insecurity, through existing surveys and data collection processes.</p> <p>The Department of Families, Fairness and Housing does not provide direct support to individuals seeking food relief (services are delivered through funded partner organisations) and does not collect data on the precise level of demand experienced by individual food relief services across the state that are funded through departmental programs. Often organisations also receive funding for food relief activities from other sources, such as federal and local government, as well as donations through fundraising and philanthropy. Additional reporting of this nature would be onerous on funded partner organisations, many of which are small or heavily reliant on volunteers.</p> <p>The Department will continue to use Victorian Population Health Survey data and work with sector organisations to understand the nature and extent of demand for food relief, as well as service gaps, to inform targeting of current and future programming.</p>
<p><b>RECOMMENDATION 24</b></p> <p>The Department of Families, Fairness and Housing work toward gathering and publishing better data on the demand for homelessness services and changes to the homeless and at-risk populations in Victoria.</p>	Support-in-Principle'	<p>Nationally, the Australian Institute of Health and Welfare (AIHW) publishes regular data on people experiencing or at risk of homelessness and the support they receive, with additional outcome insights reported through the Report on Government Services. The department publishes and contributes to this comprehensive homelessness dataset and will continue to work with the AIHW and other jurisdictions to improve the publication of meaningful homelessness data.</p>
<p><b>RECOMMENDATION 25</b></p> <p>The Department of Families, Fairness and Housing review all of the objective indicators it reports on in its annual report to ensure they demonstrate progress toward the achievement of its objectives and are in compliance with the Resource Management Framework.</p>	Support-in-Principle	<p><b>DFFH</b> will work to progressively improve objective indicators through the annual review of the Departmental Performance Statement (DPS), coordinated by <b>DTF</b>. All amendments to the DPS are subject to the approval of the Minister for Finance and Government.</p>

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<p><b>RECOMMENDATION 26</b></p> <p>The Department of Families, Fairness and Housing improve its objective indicators under the Housing Assistance output to ensure they demonstrate progress toward the objective 'All Victorians have stable, affordable and appropriate housing' and give some information about how its funded services are reducing homelessness and housing insecurity and are meeting increased demand for these services.</p>	Support-in-Principle	DFFH will address this recommendation through the annual review of the Departmental Performance Statement (DPS), coordinated by DTF. All amendments to the DPS are subject to the approval of the Minister for Finance and Government.
<p><b>RECOMMENDATION 27</b></p> <p>Where possible, the Department of Families, Fairness and Housing develop further performance measures that fill the performance reporting gaps identified in the Free Pads and Tampons in Public Places initiative.</p>	Not Support	<p>While the proposed rationale for introducing further performance measures is noted, the department considers that performance measures should primarily focus on activity that is directly within its control. Further, there are no additional accurate measures that would appropriately capture activity to address the identified areas.</p> <p>Therefore, the existing performance measure remains the most relevant metric with suitable data available for monitoring purposes. This measurable target aligns to the Victorian Government's election commitment.</p> <p>The network deployment will conclude in Q3 of the 2025-26 financial year, with no machines installed beyond 30 June 2026, removing the need for continued measures beyond this point.</p>
<p><b>RECOMMENDATION 28</b></p> <p>The Department of Families, Fairness and Housing retain the budget paper performance measure 'Number of clients assisted to address and prevent homelessness due to family violence'.</p>	Not Support	<p>This measure provides limited additional insight into the capacity of the homelessness system to support clients. The cohort captured is a subset of clients already reported under the broader Department Performance Statement measure "Number of clients assisted to address and prevent homelessness". Given family violence is a significant driver of homelessness, nearly half of all homelessness clients are already recorded as presenting due to family violence, with many supported through general homelessness services.</p> <p>The measure was established at a time when Victorian family violence responses were largely delivered through the homelessness system. Since the introduction of The Orange Door, a substantial proportion of family violence responses now occur outside the homelessness sector and are not captured in Specialist Homelessness Services (SHS) data reported by DFFH or the Australian Institute of Health and Welfare (AIHW). As a result, the measure does not provide a meaningful or comprehensive view of family violence-specific responses.</p> <p>In addition, equivalent data is already collected and published by AIHW through its annual SHS reporting, including supplementary tables on family violence as a reason for presenting in Victoria (refer AIHW SHS Annual Report 2024-25, Table CLIENTS.21).</p>

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<p><b>RECOMMENDATION 29</b> Creative Victoria either: publish on its website a high-level summary of the Creative State program's evaluation or develop performance measures relating to First Peoples creative industries.</p>	Support-in-Principle	<p>Creative Victoria is developing a monitoring and evaluation framework for Creative State 2028, including First Peoples programs. Completion of actions will be announced during the life of the strategy, and a high-level summary of these outcomes will be made publicly available after the conclusion of the strategy.</p> <p>Should activities relating to First Peoples creative industries be funded in future budgets, new performance measures will be developed as appropriate.</p>
<p><b>RECOMMENDATION 30</b> Where the Department of Jobs, Skills, Industry and Regions removes courses from the Training Needs list, it provide enrolment and completion data for the previous three years on its website.</p>	Not Support	<p>The Training Needs List is reviewed each year, with courses assessed against a framework which includes a large range of qualitative and quantitative measures including economic demand, employment outcomes, pathways to further study, government priorities, industry advice and priority cohort participation. These data sets are derived from a variety of sources including DJSIR training activity, Victorian Skills Authority's (VSA) Victorian Skills Plan and Student Satisfaction Survey, Australian Bureau of Statistics, National Training Register, National Centre for Vocational Education Research and industry advice from the VSA.</p> <p>The annual review process involves detailed analysis and consultation to ensure that Skills First training continues to focus on subsidising courses aligned with Victoria's economic growth needs, leading to real jobs for learners. While enrolments and completions do factor into the course assessment framework, these two metrics are components of much broader analysis and publishing these alone will not provide a clear rationale for changes to the Training Needs List.</p>
<p><b>RECOMMENDATION 31</b> Where possible, the Department of Jobs, Skills, Industry and Regions publish information on its website regarding the economic benefits and how they are calculated of major sporting events in Victoria.</p>	Not Support	<p>The economic impact of all major events and the methodology used to calculate the impacts cannot be published given the complexities associated with differing measurement tools used by events.</p> <p>There are differing methodologies used by events, based on the need to assess particular outcomes, and for annual events, to compare from year to year.</p> <p>Some events don't conduct economic impact assessments every year given the process can be complex and costly.</p>
<p><b>RECOMMENDATION 32</b> The Department of Jobs, Skills, Industry and Regions retain its performance measure or create new measures relating to mRNA manufacturing capability for inclusion in the 2026-27 Budget.</p>	Support-in-Principle	<p>Significant outcomes associated with this performance measure have included the attraction of the two global leaders in mRNA technology to establish manufacturing and research and development operations in Victoria, as well as other ecosystem building initiatives focused on research, development, innovation, and workforce training, including support for 63 research projects to develop mRNA research candidates across therapeutics, drug discovery and new mRNA technologies.</p> <p>Funding supporting grant programs and other initiatives linked to this performance measure lapsed in 2024/2025. Inclusion of performance measures in relation to mRNA will be considered subject to future funding allocations.</p>

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<p><b>RECOMMENDATION 33</b></p> <p>The Department of Energy, Environment and Climate Action report annually on the environmental impact of government operations. This should include progress made toward the Whole of Government emissions reduction pledge, aggregated environmental performance by departments, aggregated greenhouse gas emissions and aggregated energy usage broken down by energy type.</p>	<p>Support-in-Principle</p>	<p>Victorian Government emissions and energy use is reported by entities in their annual reports in accordance with Victorian Government Financial Reporting Direction (FRD) 24. This information is collated and published in the five-yearly Whole of Victorian Government pledge.</p> <p>DEECA will report annually on aggregated greenhouse gas emissions from 2025-26 onwards. DEECA notes the 'reduction in greenhouse gas emissions from Victorian Government operations' was included as a new departmental objective indicator in the 2025-26 State Budget and annual reporting against this indicator will be included from the department's 2025-26 Annual Report.</p> <p>In addition, the <i>Climate Action Act 2017</i> requires the Minister for Climate Action to prepare an end of interim target report, which includes an assessment of the implementation and effectiveness of the emissions reduction pledges. Reporting on progress on the Whole of Victorian Government emissions reduction pledge is most effectively done as part of this process, with the first report due by 31 December 2027.</p> <p>DEECA does not have plans to report annually on aggregated environmental performance by departments and aggregated energy usage broken down by energy type but will assess the benefits of this within the context of available resources.</p>
<p><b>RECOMMENDATION 34</b></p> <p>The Department of Energy, Environment and Climate Action develop stronger performance measures relating to the container deposit scheme.</p>	<p>Support</p>	<p>The Victorian Government supports strong performance measures relating to the container deposit scheme. DEECA will consider options for a new measure for the 2026-27 Department Performance Statement that is reflective of its actions and provides a clearer view of the governance and oversight of the Container Deposit Scheme (the Scheme). Any new measure would replace the current quantity measure which tracks the number of Scheme refund points provided to Victorians.</p> <p>While DEECA oversees the Scheme, the Scheme is funded by industry, not through the State Budget. Key performance indicators specific to the Scheme Coordinator and Zone Operators are commercial-in-confidence.</p>
<p><b>RECOMMENDATION 35</b></p> <p>The Department of Energy, Environment and Climate Action identify an appropriate avenue for reporting on the actual outcomes of the container deposit scheme, including by how much the scheme has reduced litter, diverted beverage containers from landfill and any other environmental benefits.</p>	<p>Support</p>	<p>The Victorian Government supports reporting publicly on the outcomes delivered by the Container Deposit Scheme (the Scheme). Outcomes including the Scheme's redemption (or recovery) rate, the total refund amounts received by donation partners, and the total weight of containers recovered through the Scheme and sold for recycling are reported in the VicReturn Annual Statutory Report and the DEECA Annual Report. To further strengthen reporting, the VicReturn Annual Report will in future also report on beverage container litter.</p>

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<p><b>RECOMMENDATION 36</b></p> <p>The Department of Energy, Environment and Climate Action review the new performance measure 'Delivery of statutory outputs under the Climate Action Act 2017 within statutory timeframes'.</p>	<p>Support-in-Principle</p>	<p>DEECA reviewed the new performance measure 'Delivery of statutory outputs under the <i>Climate Action Act 2017</i> within the statutory timeframes.</p> <p>The departmental objective 'net zero emissions, climate ready economy and community' is delivered through the Climate Action output and incorporates DEECA's role in providing advice to the Minister for Climate Action and coordinating whole-of-Victorian Government actions to acquit the requirements of the Act. Sectoral policies and actions to reduce emissions and build Victoria's resilience to climate change are delivered across government, and funding and associated performance measures are included in relevant outputs as appropriate.</p> <p>While noting the Committee's concern about the adequacy of the new performance measure, the Act establishes a robust and comprehensive framework to support the delivery of climate action across the Victorian Government. This includes the Act's policy objectives and guiding principles, emissions reduction targets, and requirements around considerations, content, processes, consultation and timelines associated with statutory products. While the delivery of statutory outputs within statutory timeframes is listed as a timeliness indicator, DEECA considers it appropriately captures the breadth, quality and timeliness of work delivered by the Climate Action output.</p> <p>DEECA will continue to review this performance measure to ensure it continues to represent the full breadth of the Climate Action output.</p>
<p><b>RECOMMENDATION 37</b></p> <p>The Department of Energy, Environment and Climate Action create new, relevant performance measures for the Climate Action output that reflect its breadth of work, for inclusion in the 2026-27 Budget.</p>	<p>Not Support</p>	<p>As noted in the response to Recommendation 36, the <i>Climate Action Act 2017</i> establishes a robust and comprehensive framework to support the delivery of climate action across the Victorian Government, and that delivery of statutory outputs within statutory timeframes appropriately captures the breadth, quality and timeliness of activity delivered by the Climate Action output.</p> <p>DEECA will continue to review the performance measure 'Delivery of statutory outputs under the Climate Action Act 2017 within statutory timeframes' to ensure it continues to represent the full breadth of the Climate Action output.</p> <p>DEECA included two new departmental objective indicators in the <i>2025-26 Budget</i> to reflect climate action outcomes:</p> <ul style="list-style-type: none"> <li>• Strengthen community and government resilience to climate change hazards and</li> <li>• Reduction in greenhouse gas emissions from Victorian Government operations.</li> </ul> <p>These complement the indicator, 'Reduction in Victoria's greenhouse gas emissions relative to 2005'. Annual reporting against these indicators will be included in DEECA's 2025-26 Annual Report.</p> <p>Sectoral policies and actions to reduce emissions and build Victoria's resilience to climate change are delivered across government, and funding and associated performance measures are included in relevant outputs as appropriate.</p>

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<p><b>Recommendation 38</b> The Department of Energy, Environment and Climate Action address the issues identified with its discontinued performance measures.</p>	<p>Not Support</p>	<p><b>Climate Action Output</b></p> <p>The discontinued performance measures are covered in the new broader performance measure of 'Delivery of statutory outputs under the Climate Action Act 2017 within statutory timeframes'.</p> <p>As noted in the response to Recommendation 36, the <i>Climate Action Act 2017</i> establishes a robust and comprehensive framework to support the delivery of climate action across the Victorian Government. This includes the Act's policy objectives and guiding principles, emissions reduction targets, and requirements around considerations, content, processes, consultation and timelines associated with statutory products. While the delivery of statutory outputs within statutory timeframes is listed as a timeliness indicator, DEECA considers that it appropriately captures the breadth, quality and timeliness of work delivered by the Climate Action output.</p> <p><b>Solar Victoria Output</b></p> <p>The discontinued performance measure 'Applications for Solar PV rebates for rental households approved' is included in the broader performance measure of 'Applications for solar panel system rebate for households approved' which captures approvals for all households.</p> <p>The removal of the disaggregated target allocations (between owner occupier and rental properties and associated targets) aligns with the budget allocation which was no longer disaggregated following the <i>2025-26 State Budget</i>.</p> <p>The aggregation provides greater flexibility for Solar Victoria to allocate rebates to cohorts with the highest demand and where most required. Solar Victoria's program management, internal monitoring and reporting continues by household type (owner occupier and rental) together with other cohorts, such as new build properties. For rental properties, this is enabled through the dedicated rental provider customer portal application pathway and the Solar for Apartments program. Demand management activities are then able to target identified areas where uptake is to be encouraged.</p> <p><b>Agriculture Output</b></p> <p>DEECA supports whole-of-Victorian-Government efforts to deliver export growth and development for Victoria's food and fibre producers, including through maintaining an effective biosecurity system and supporting producers to access and understand international market access requirements.</p> <p>Existing output measures demonstrating the department's effectiveness in supporting export growth and overcoming trade barriers include 'Plant pest, disease and residue control programs maintained to ensure Victorian agricultural produce complies with food safety and biosecurity standards required to access markets' and 'Client satisfaction rating of agricultural services'. The overall outcome of this work is captured through the Departmental Objective Indicator 'Value of Victorian food and fibre exports'.</p> <p>DEECA will continue to monitor opportunities to develop output performance measures demonstrating the department's work around agricultural export and trade.</p> <hr/> <p style="text-align: center;">Page 14 of 17</p>
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PAEC recommendation	Response	Action taken to date and commitment to further action
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<p><b>RECOMMENDATION 39</b></p> <p>The Department of Government Services address the issues identified with three of its discontinued performance measures.</p>	<p><b>Not Support</b></p>	<p>DGS does not support reinstating 'Visitors to Metropolitan Libraries' and 'Visitors to Regional Libraries' as output performance measures. DGS output funding does not encompass all funding provided to the library sector, and importantly a number of other funding streams can attribute to and influence raw visitor counts to public libraries. It is not accurate for DGS to use raw visitor data to measure output performance as the Department cannot reliably forecast the impact of output activities from these figures.</p> <p>DGS funding to libraries contributes to fund staff and the purchase of physical and digital resources within libraries, which is acknowledged as a contributing factor for public attendance at libraries, community spaces and hubs more broadly. However, the DGS measure cannot accurately link library collection data with broader library attendance, given the range of funded programs within libraries. Attendance data remains publicly available, as Public Libraries Victoria (PLV) publishes library attendance each year. Discontinuing the attendance measurements in the Department Performance Statement will not cease the collection and publication of data on visitors to metropolitan and regional libraries.</p> <p>Complementary to the PLV data, the new output performance measures show attributable outcomes specifically for DGS library funding, linked more accurately to the purchase of collection items (both physical and electronic), information technology systems and related services and associated staff.</p> <p>DTP comment: Support: Functions of Domestic Building Dispute Resolution Victoria (DBDRV) transferred to the Building and Plumbing Commission (BPC) from 1 July 2025. The Department of Transport and Planning (DTP) are responsible for the BPC. DTP will continue to work with BPC to review and update performance measures as required, for the 2026-27 Budget.</p>
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PAEC recommendation	Response	Action taken to date and commitment to further action
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<p><b>RECOMMENDATION 40</b></p> <p>The Department of Treasury and Finance ensure all information that was included in the Budget Update and the quarter 1 financial report be included in future pre-election budget updates (PEBU). This includes information that was not previously included in the PEBU and actual results to September 30 of an election year.</p>	<p>Support-in-Principle</p>	<p>DTF will provide options for government consideration around reporting of information in the public domain outside of PEBU such as financial information contained within the September Quarterly as well as the Uniform Presentation Framework (UPF) information, including on the Public Non-Financial and Public Financial Corporation sectors. For example, following the 2022 State election the UPF information which would have been included within the Budget Update of that year was published on the DTF website.</p>
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<p><b>RECOMMENDATION 41</b></p> <p>The Department of Treasury and Finance publish information about proposed and ongoing financial management reform measures on its website.</p>	<p>Support-in-Principle</p>	<p>DTF delivered a series of amendments to the <i>Financial Management Act 1994</i> in August 2025. Further non-legislative reforms will continue to be made over time. Government will disclose details of these reforms as appropriate.</p>
<p><b>RECOMMENDATION 42</b></p> <p>The Department of Treasury and Finance publish information about any review or change to the Resource Management Framework in the context of broader financial management reform on its website by the end of 2025.</p>	<p>Support-in-Principle</p>	<p>The Resource Management Framework already discloses updates and changes to the document via the 'Changes to the RMF since the [month][year] published version' section.</p>