

Government Responses to the Recommendations of
PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE'S
111th Report to the Parliament - Report on the 2012-13 Budget Estimates - Part One

DEPARTMENT OF TREASURY AND FINANCE

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) 111th Report.

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

1		
Title		
2		
Chapter number and topic		
1	2	3
PAEC recommendation	Response	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 111th Report – Part One.

Column 2: Indicates the Government's response to each recommendation:

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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Recommendation 1, Chapter 3 <i>Discontinued performance measures</i>, page 25		
Output: Performance measure	Response	Rationale/Commitment to further action
DEPARTMENT OF BUSINESS AND INNOVATION (DBI)		
Strategic Policy: Number of major research and evaluation projects completed	Support	Information will be collected and reported in the 2012-13 Annual Report and the measures will be reinstated in the 2012-13 Budget Update.
Small Business: Registration for online services		
Innovation: Customer satisfaction with information services from Information Victoria		
Science and Technology: Percentage of funded science projects that are industry led		
Exports: New exports facilitated in regional Victoria		
Exports: Client satisfaction with export assistance offered		
Employment and Industrial Relations: Skilled Migration Victoria – average processing time for state sponsorship applications		

PAEC recommendation	Response	Action taken to date and commitment to further action
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DEPARTMENT OF BUSINESS AND INNOVATION (DBI) cont.		
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Tourism: Value of media coverage generated: domestic	Support	Information will be collected and reported in the 2012-13 Annual Report and the measures will be reinstated in the 2012-13 Budget Update.
Tourism: Value of media coverage generated: international		
Tourism: Victoria's share of domestic tourism advertising awareness among target markets: intrastate		
Tourism: Victoria's share of domestic tourism advertising awareness among target markets: interstate		

DEPARTMENT OF EDUCATION AND EARLY CHILDHOOD DEVELOPMENT (DEECD)		
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Skills: Number of apprenticeships/trainees who qualify for the completion bonus	Support	DEECD will continue to collect and report the data for the performance measure, <i>Number of apprenticeships/trainees who qualify for the completion bonus</i> , until the program is phased out. The measure will be reinstated in the 2012-13 Budget Update.
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PAEC recommendation	Response	Action taken to date and commitment to further action
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DEPARTMENT OF HEALTH (DH)		
<p>General Comments:</p> <p>The Government intends to discuss further with PAEC the proposed discontinuation of performance measures for the Department of Health in light of the matters set out in this response. Emergency Care performance measures have been subject to review, particularly as a consequence of recent National Performance Agreements (NPAs). The requirement to report against nationally consistent performance measures (which essentially measure the same aspect of access time to emergency treatment as existing performance measures) introduces considerable duplication of effort and the potential for confusion.</p> <p>The Department's performance measures include eight Emergency Services performance measures for 2012-13. Should the Committee's recommendation be adopted, the number of Emergency Care measures will increase to thirteen, nine of which will be related to timeliness. Although timeliness of emergency treatment is a critical aspect of performance, Government considers that a more balanced approach to the assessment of emergency care performance (including quality and output efficiency) is warranted.</p> <p>The replacement of two existing measures – <i>Semi-urgent (Category 2) patients treated within 10 minutes</i> and <i>Non-urgent (category 3) patients treated within 30 minutes</i> – with an overall measure of access (all emergency department patients treated within clinically-recommended time) provides a more complete and efficient measure of the timeliness of Emergency Care performance (including Category 4 and 5 patients). Furthermore, the distinction between triage categories and the artificial labels of 'semi-urgent' and 'non-urgent' have little meaning in the general public.</p> <p>The Committee's rationale for recommending disaggregated access time performance by patient triage category – that it provides stakeholders with additional meaningful information – can be addressed through the Victorian Health Services Performance Website, which already provides public access to the requested detail at both the state and hospital level. Consequently, it is considered that the proposed rationalisation for Emergency Care measures will not impact the transparency of public health services in Victoria.</p>		
Emergency Services: Emergency Category 2 treated in 10 minutes	For further consideration	The NPA Hospital and Health Workforce Reform (HHWR) introduced a consolidated measure for time to treatment for emergency Category 1 to 5 patients inclusive, considered to be a substitute for the two measures.
Emergency Services: Emergency Category 3 treated in 30 minutes	For further consideration	The reporting of an aggregate target was broadly supported by clinicians during consultation.
Emergency Services: Non-admitted emergency patients with a length of stay of less than four hours	For further consideration	<p>The Government considers this measure to be superseded by the National Emergency Access Target (NEAT): <i>Emergency patients with a length of stay of less than four hours</i>.</p> <p>Continuation of the measure <i>Non-admitted emergency patients with a length of stay of less than four hours</i> would introduce duplication and the potential for confusion.</p>

PAEC recommendation	Response	Action taken to date and commitment to further action
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DEPARTMENT OF HEALTH (DH) cont.		
Aged Care Assessment: Average wait between client registration and Aged Care Assessment Service (ACAS) assessment – hospital-based assessment	For further consideration	<p>The Government intends to discuss further with PAEC the proposed discontinuation of the measure <i>Average wait between client registration and Aged Care Assessment Service (ACAS) assessment</i> for community and hospital based assessment since:</p> <ul style="list-style-type: none"> • The measurement of average wait times provides an average across priority 1, 2 and 3. Given the different response targets between each of the priorities (P1 – within 48 hours, P2 – within 14 days, P3 – within 36 days), achievement of the targets for these measures (2.5 days for hospital-based assessment, 15 days for community-based assessment) are misleading and do not provide a clear understanding of ACAS performance. For this reason a new measure was introduced in 2011-12 and, expanded in 2012-13 to include Priority 3 clients called <i>Percentage of Priority 1, 2 and 3 clients assessed within the appropriate time</i>, which measures ACAS assessment timeframe performance as it relates to each priority level. • Given the size of the output being measured, maintaining this existing measure in light of the improved measure (above) would result in a disproportionate number of measures in relation to the allocated budget. • National reporting obligations require the Department to report on the percentage of ACAS assessments within appropriate timeframes, therefore the Department recommends that these are retained in favour of average wait times to enable transparent comparisons with other jurisdictions.
Aged Care Assessment: Average wait between client registration and Aged Care Assessment Service (ACAS) assessment – community-based assessment	For further consideration	

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DEPARTMENT OF HUMAN SERVICES (DHS)		
Targeted Services: Clients waiting less than one month for specialist services	For further consideration	The Government intends to discuss further with PAEC the proposed discontinuation of performance measures for the Department of Human Services in light of the matters set out in this response.
Social Housing: Number of public housing dwellings with major upgrade during year	For further consideration	DHS is undergoing major reform and, as part of this process and the 2012-13 output structure review, has restructured the Disability Services output group to better align with departmental objectives and service delivery model.
Social Housing: Proportion of public housing maintenance contractors completing urgent maintenance jobs that are within timeframes	For further consideration	The Department has, through a 2012-13 output statement review (guided by the Department of Treasury and Finance), developed a set of measures which more accurately reflect the quality and performance of services.
Housing Support and Homelessness Assistance: Proportion of assisted households satisfied with renovation assistance	For further consideration	
DEPARTMENT OF JUSTICE (DOJ)		
Emergency Management Capability: Advice meets internal benchmarks	For further consideration	The Government intends to discuss further with PAEC the proposed discontinuation of performance measures for the Department of Justice in light of the matters set out in this response.
Emergency Management Capability: Municipal customer satisfaction	For further consideration	As part of the 2012-13 output review process, the Department of Justice increased the number of performance measures from six in 2011-12, to 11 in 2012-13 in the Emergency Management Capability output. The suite of measures in 2012-13 better informs the public in relation to the range of services delivered, and increases accountability. The Department will continue to review its suite of performance measures as part of the annual review process and make appropriate adjustments where required.

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PARLIAMENT		
Parliamentary Reports and Services: Overall level of external satisfaction with audits – audit clients	n/a	These performance measures relate to the Victorian Auditor-General's Office, which responds directly to the Committee in relation to recommendations.
Audit reports on Financial Statements: Overall level of external satisfaction with audits – audit clients	n/a	

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Recommendation 2, Chapter 3 *Discontinued performance measures*, page 31

<p>The Department of Health develop new performance measures for:</p> <p>(a) Emergency category 4 patients treated in less than or equal to 1 hour after arrival in the emergency department; and</p> <p>(b) Emergency category 5 patients treated in less than or equal to 2 hours after arrival in the emergency department.</p>	<p>For further consideration</p>	<p>The Government intends to discuss further with PAEC these proposed additional emergency category 4 and 5 patients performance measures in light of the matters set out in this response.</p> <p>The Department of Health annually reviews performance measures and supports the addition of new measures to promote transparency and accountability.</p> <p>The National Performance Agreements Hospital and Health Workforce Reforms introduced a consolidated measure for time to treatment for emergency category 1 to 5 patients, considered to be an appropriate measure.</p> <p>Nevertheless, the Department will continue to monitor treatment times for emergency category 4 and 5 patients through the regular emergency care data provided by health services. Performance against these two measures is also part of public quarterly reporting undertaken by the Department.</p>
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Recommendation 3, Chapter 3 *Discontinued performance measures*, page 34

<p>The Department of Business and Innovation improve the quality of information provided when proposing to discontinue performance measures in future budget papers. In particular, where a measure is to be replaced by a new measure, the budget papers should specify:</p> <p>(a) which new measure is replacing the discontinued one; and</p> <p>(b) how the new measure provides a stronger basis for the evaluation of performance in specific service delivery.</p>	<p>Support</p>	<p>This recommendation is supported in cases where a discontinued measure can be linked to a new measure. In future budget papers, where an existing measure is to be replaced by a new measure, the Department of Business and Innovation will report which new measure is replacing the discontinued one and the rationale for the replacement.</p>
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PAEC recommendation	Response	Action taken to date and commitment to further action
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Recommendation 4, Chapter 3 *Discontinued performance measures*, page 37

<p>The Department of Business and Innovation develop a number of new measures in time for the 2013-14 Budget. There should be sufficient new measures to ensure that all major areas of activity are reported on adequately. The new measures should also include quality measures for all major activities where possible.</p>	<p>Support</p>	<p>The Department of Business and Innovation is reviewing all of its performance measures in its Investment Attraction, Facilitation and Major Projects Output for 2013-14. It will also investigate the most appropriate ways to measure the quality of its outputs.</p>
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Recommendation 5, Chapter 3 *Discontinued performance measures*, page 38

<p>The Department of Treasury and Finance evaluate its processes for reviewing performance measures that are proposed to be discontinued. This review should ensure that the Department can adequately fulfil its responsibilities for:</p> <p>(a) quality assurance of the budget papers; and</p> <p>(b) ensuring the robustness of outputs and performance measures.</p>	<p>Support</p>	<p>The Department of Treasury and Finance (DTF) takes an active role in reviewing performance measures and providing feedback to departments. However, DTF notes that departments and their ministers are not obliged to accept DTF's feedback, as the established practice is for portfolio ministers to approve their department's output structure.</p> <p>The Government has invested significant effort to enhance performance measure information provided in budget papers, including expanding the information reported to include proposed discontinued measures, which can be found in Appendix A, Budget Paper No. 3 <i>Service Delivery</i>. Over the past two years, DTF has worked closely with all departments providing advice on options to enhance the quality of performance measures and information relating to proposed changes to performance measures. This engagement included consultation with departments about providing robust explanations where performance measures were proposed to be discontinued. The Government will continue this as an annual practice.</p> <p>DTF is augmenting this incremental and ongoing refinement of performance measures with periodic and more substantive review of performance measures as part of the Base Review program.</p> <p>DTF also conducts regular reviews of budget paper preparation processes and will continue to look for opportunities to improve the way it conducts consistency and quality checks of input to the budget papers. This includes looking for opportunities to engage with PAEC earlier in the process.</p>
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