
Government Responses to the Recommendations of PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE'S 70th Report on the 2006-2007 Budget Estimates

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) 70 Report.

Guide for Readers:

Following is the explanation of the format of this paper.

1 Chapter number and topic			
2 Responsibility			
1 PAEC Recommendation	2 Response	3 Action Taken to Date	4 Further Action Planned

- Row 1: Indicates the number and topic of the response to the PAEC recommendations.
- Row 2: Indicates the Department with primary responsibility for responding to the recommendation as outlined in the PAEC Report.
- Column 1: Contains the PAEC's recommendations as published in its 70 Report.
- Column 2: Indicates the Government's response to each recommendation (**Accept, Accept in part/principle, Under Review or Reject**).
- Column 3: Indicates those actions relevant to the implementation of the recommendation that have been taken to date.
- Column 4: Indicates the additional actions planned that are relevant to implementation of the recommendation, together with an explanation of the Government's position concerning the recommendation.

CHAPTER 2: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 2006-2007 BUDGET ESTIMATES

GOVERNMENT RESPONSE TO THE PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE REPORT ON THE 2005-06 BUDGET ESTIMATES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 1 (Page 68)**

<p>The Victorian Government reconsider recommendations nos. 35(c), 76 and 136 contained in the Public Accounts and Estimates Committee's <i>Report on the 2005-06 Budget Estimates</i>.</p> <p><i>The Department of Human Services:</i></p> <p><i>35(c) require, as a condition of funding over a certain limit, grantee organisations to disclose in their annual reports the level of remuneration paid to board members and senior management</i></p>	<p>Rec (35c)</p> <p>Reject</p>	<p>The Department of Human Services is not able to mandate the disclosure of remuneration paid to board members and senior management in grantee organisations' annual reports as a condition of funding. Separate governing legislation determines the annual reporting requirements of individual agencies.</p> <p>While technically possible for such disclosure to be mandated through the Department of Human Services' funded agency funding and service agreement process, it is considered that there would be a serious risk to the Partnership Agreements between the Department of Human Services and the Health, Housing and Community Sectors.</p> <p>The Partnership Agreements currently underpin successful delivery of human services in the Victorian community and recognise the autonomy, independence and governance arrangements of non government organisations, and their accountability to manage in accordance with their respective constitutions.</p>	<p>No further action planned.</p>
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CHAPTER 2: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 2006-2007 BUDGET ESTIMATES

GOVERNMENT RESPONSE TO THE PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE REPORT ON THE 2005-06 BUDGET ESTIMATES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p><i>The Department of Justice:</i> 76 (a) continue to take the lead in seeking a way for the Auditor-General to conduct performance audits of the courts' administrative functions; and</p> <p>76 (b) finalise the necessary protocols before the next budget.</p>	<p>Reco 76 Accept</p>	<p>Performance Audit protocols were approved in early June 2006. The Auditor-General wrote to the Chief Magistrate in July 2006 indicating that, in consultation with PAEC, a "Performance Audit of Administration of the Magistrates' Court of Victoria" had been incorporated in the Auditor-General's 2006-07 Annual Plan and that the Auditor-General was seeking to commence work in the near future.</p> <p>The Auditor-General's office advised the Department of Justice on 16 October 2006 that this audit is on hold pending further direction from the recently appointed Auditor-General.</p> <p>On 13 November 2006, the Auditor-General sent to the Department of Justice a draft Audit Specification for comment. On 30 November 2006, the Department of Justice met with the Auditor-General's audit team to discuss the draft specification and audit approach. The audit team confirmed that the review will focus on the Magistrates' Court's compliance with policy and accountability frameworks, rather than the Department of Justice policies and guidelines themselves.</p>	<p>(a) Performance Audits by the Auditor-General will be fully supported by the jurisdiction indicated and the Department of Justice.</p> <p>(b) No further action as recommendation (b) has been addressed as part of (a) above.</p>
<p><i>The Department of Treasury and Finance:</i> 136 The Transport Accident Commission publicly disclose the value of individual sponsorships.</p>	<p>Reco 136 Reject</p>	<p>The TAC Board oversees and manages the corporate governance of the statutory authority. The TAC advises that all partnership agreements with a total contract value of more than \$250,000 are approved by the TAC Board.</p> <p>Each year, the TAC publishes its accident prevention expenditure in its Annual Report.</p> <p>The TAC has advised Government that the disclosure of individual partnership agreements would place the TAC at a commercial disadvantage, by restricting the organisation's ability to derive maximum value for money on behalf of Victorian motorists.</p>	<p>No further action will be taken on this recommendation.</p>

CHAPTER 5: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 2006-2007 BUDGET ESTIMATES

NATIONAL REFORM AGENDA AND FINANCIAL MANAGEMENT COMPLIANCE FRAMEWORK

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 2 (Page 96)

<p>The Department of Premier and Cabinet look for further opportunities to achieve outcomes from the National Reform Agenda.</p>	<p>Accept</p>	<p>At the COAG meeting on 16 July 2006, COAG reasserted its commitment to the National Reform Agenda (NRA). The Department of Premier and Cabinet is leading work on human capital reforms in the initial areas of diabetes, literacy and numeracy and early childhood development and childcare, as well as leading Victoria's input into the NRA through involvement in various COAG officials working groups.</p> <p>In December 2006 Victoria's draft diabetes type 2 plan was released for community consultation</p>	<p>The Victorian Government will continue to lead work on the National Reform Agenda.</p> <p>The Department of Premier and Cabinet will continue to pursue reform opportunities in the NRA priority areas through engagement at various COAG officials working group meetings and negotiations.</p>
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• Recommendation 3 (Page 104)

<p>The Victorian Government reconsider its decision not to prepare a report to Parliament on the overall effectiveness of its Financial Management Compliance Framework, as was originally intended when the framework was introduced.</p>	<p>Reject</p>	<p>It was the Government's intention, when introducing a Financial Management Compliance Framework to enhance good governance within the Victorian Public Service. Contrary to the claim of Recommendation 3, it was not the intention of the Government to report to Parliament on the effectiveness of this framework.</p>	<p>No further action will be taken on this recommendation.</p>
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CHAPTER 6: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 2006-2007 BUDGET ESTIMATES

PARLIAMENTARY DEPARTMENTS

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
• Recommendation 4 (Page 108)			
Future budget papers include trend targets for the Provision of Information and Resources to Parliament output.	Reject	As part of a process of continuous review, Parliament has introduced this output measure aggregating a number of information outputs. This measure will be published for the reporting period as part of a suite of output measures agreed with Government.	Time series analysis for all Parliament output measures is available by accessing successive annual reports and budget papers.
• Recommendation 5 (Page 109)			
The Department of Parliamentary Services provide a report to Parliament at the conclusion of the Bills, Bells and Ballots exhibition on its overall effectiveness and final costs.	Reject	<p>To mark its 150th anniversary, the Parliament of Victoria delivered a year-long, State-wide program of events, exhibitions and activities.</p> <p>A key feature of the anniversary celebration was State-wide travelling exhibition, Bills, Bells and Ballots – 150 years of Victoria's Parliament.</p> <p>Other key events, held primarily in Melbourne, focused on different aspects of the 150th anniversary. The Parliament has worked in partnership with a wide range of external stakeholders and special interest groups to deliver these events.</p>	A Report on the 150 th Anniversary Project will be prepared by the Project Manager for the Presiding Officers and the Steering Committee as part of the project management methodology. Reporting of the Bills, Bells and Ballots exhibition will form part of this report.

CHAPTER 7: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET ESTIMATES

DEPARTMENT OF EDUCATION AND TRAINING

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 6 (Page 126)</p>			
<p>The Department of Education and Training establish additional performance measures associated with the Leadership Development Program and incorporate these performance measures into the appropriate outputs.</p>	<p>Under review</p>	<p>At the time of establishing the Leadership Development Program the Department of Education and Training took the view that a new measure on the number of participants should not be added because it would be:</p> <ul style="list-style-type: none"> • a straight input measure, not an output or outcome measure; and • more appropriate to internally monitor participation of those leadership teams, and provide such information separately if required. 	<p>The Department of Education and Training will consider this further as part of the work on BP3 output performance measures for the 2007-08 Budget.</p>
<p>• Recommendation 7 (Page 131)</p>			
<p>The Department of Education and Training release a mid-term report on how initiatives under the statement, Maintaining the advantage: skilled Victorians are advancing.</p>	<p>Accept</p>	<p>No action undertaken to date.</p>	<p>A mid-term report will be developed in consultation with the Department of Innovation, Industry and Regional Development and released in July 2008, at the mid point of the implementation of the four year skills statement initiatives.</p>
<p>• Recommendation 8 (Page 132)</p>			
<p>The Victorian Learning and Employment Skills Commission include in its annual report an update on the implementation of the Higher Skills initiative.</p>	<p>Accept in Principle</p>	<p>No action undertaken to date.</p>	<p>The Department of Education and Training will work with the VLESC on this matter.</p>

CHAPTER 7: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET ESTIMATES

DEPARTMENT OF EDUCATION AND TRAINING

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 9 (Page 141)</p>			
<p>The Department of Education and Training review its current data collection and recording system so that details of school fees and voluntary contributions collected can be separately identified for reporting purposes.</p>	<p>Reject</p>	<p>The Department of Education and Training does not support this recommendation.</p> <p>The current chart of accounts meets the Department of Education and Training's internal management reporting requirements.</p> <p>Separately identifying voluntary contributions would require specific training and communication strategies to be developed for schools and the modification of existing school based finance software. It would also result in an increased administrative burden for schools.</p>	<p>No further action planned.</p>

CHAPTER 8 GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET ESTIMATES

DEPARTMENT OF HUMAN SERVICES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 10 (Page 160)

<p>The Department of Human Services prepare estimates of staffing levels for the forthcoming year and submit this information to the Public Accounts and Estimates Committee when required.</p>	<p>Accept</p>	<p>The information requested by the Public Accounts and Estimates Committee is provided in Department of Human Services' annual reports. Data collection issues, which precluded provision of the information to the Committee at the time of its 2006-07 Budget estimates inquiry, have been addressed and end of financial year estimates on staffing levels will be available to meet future Committee requests.</p>	<p>Estimates of end of financial year staffing levels will be provided to the Public Accounts and Estimates Committee where required.</p>
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• Recommendation 11 (Page 166)

<p>To complement the Department of Human Services' workforce studies that examine current practitioner supply against forecast demand according to professional occupational groups and industry sectors, the department also monitor:</p> <p>(a) the adequacy of human resource planning at an individual agency level; and</p> <p>(b) the extent of current and projected skill shortages/gaps experienced by its larger agencies.</p>	<p>Accept in part</p>	<p>The Department of Human Services currently requires health services to provide strategic service plans which include a section specifically addressing workforce planning. The strategic plans define the role of each campus for a 5-year period and are updated annually to facilitate monitoring of workforce planning.</p> <p>The Department of Human Services has also developed a nurse workforce minimum dataset. This database collects information relating to baseline hours, actual hours, vacancies and turnover.</p> <p>The Department of Human Services is also implementing an allied health regional recruitment and retention project for health and community services. This project provides a focus on vacancy and staff turnover through quarterly surveys.</p>	<p>The Department of Human Services will continue to liaise with agencies in relation to workforce planning.</p>
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• **Recommendation 12 (Page 169)**

<p>The Department of Human Services continue with its efforts to achieve improved inter governmental funding arrangements for the provision of Home and Community Care services in Victoria.</p>	<p>Accept</p>	<p>The Department of Human Services has actively participated in Commonwealth Community Care Review working groups. In doing so, work has been advanced in a number of areas including identifying and assessing potential HACC clients, developing a best definition of service target population in a new inter-governmental HACC agreement, and clarifying responsibility between governments and programs for providing community care to people with higher levels of need.</p>	<p>The Commonwealth government is expected to forward a new HACC Agreement to jurisdictions shortly. The Department of Human Services will work closely with the Department of Premier and Cabinet to advise on an appropriate Victorian government response.</p> <p>As the Commonwealth Community Care Review proceeds, the Department of Human Services will continue to work with the Commonwealth and other jurisdictions to accurately define the HACC target population to be used in the national HACC resource allocation formula to ensure that Victoria's share of HACC funds reflects the size, composition and demographic projections of its target population.</p>
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• **Recommendation 13 (Page 171)**

<p>The Department of Human Services and the Office of Senior Victorians in the Department for Victorian Communities develop a strategy to protect the wellbeing of the frail elderly living in the community, who may be at risk of abuse and neglect.</p>	<p>Accept</p>	<p>The Elder Abuse Prevention Project Advisory Committee established by the Victorian government in March 2005, presented 11 recommendations in its report: <i>'Strengthening Victoria's Response to Elder Abuse'</i> (December 2005). Funding for programs to address all report recommendations was provided in the 2006-07 State Budget.</p> <p>The Department for Victorian Communities (DVC) has the lead role for developing and maintaining a whole-of-government policy framework on prevention and responses to elder abuse. The Department of Human Services is working closely with DVC to implement the advisory committee's recommendations.</p>	<p>The Department of Human Services will continue to raise awareness of elder abuse management, as well as strengthen the capacity and understanding of service providers to be able to promote the prevention of elder abuse; identify and learn how to manage suspected incidence of elder abuse; and manage actual incidence appropriately.</p> <p>The development of tools and local area network protocols to assist these approaches will be supported. The development of innovative approaches that are well established in local communities will be trialled and shared, to ensure continuous improvement and learning.</p>
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PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 14 (Page 172)

<p>The Department of Human Services include in its annual report details about the outcomes of implementing the Aged Care Land Bank pilot program.</p>	<p>Accept in principle</p>	<p>Two parcels of land have been made available through concessional arrangements to not-for-profit aged care services in inner Melbourne to facilitate the development of residential aged care where market failure has been identified.</p>	<p>The outcomes of implementing the Aged Care Land Bank pilot program will be considered for inclusion in the Department of Human Service's annual report as part its departmental achievement reporting.</p>
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• Recommendation 15 (Page 173)

<p>The Department of Human Services include in the Aged Support Services output an additional quantity performance measure relating to the number of research and service development projects to be completed in the year.</p>	<p>Accept in principle</p>	<p>The Department of Human Services regularly reviews the suite of performance measures included in State Budget Papers and other publications.</p>	<p>The Department of Human Services will consider the recommended performance measure as part of its annual review of performance indicators to be included in 2007-08 Budget Papers. The results of the review will be provided to the Department of Treasury and Finance, as the department responsible for Budget Paper content, as part of that department's Budget Paper development process.</p>
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• **Recommendation 16 (Page 179)**

<p>The Department of Human Services' Office for Children:</p> <p>(a) closely monitor implementation of actions recently taken to strengthen Victoria's foster care system; and</p> <p>(b) inform Parliament about the effectiveness of past measures aimed at retaining high numbers of experienced foster carers.</p>	<p>Accept in Principle</p>	<p>The recently completed <i>Family and Placement Services Sector Development Plan</i> provides the basis for the ongoing monitoring of reforms in out-of-home care.</p> <p>Recognition and support are critical to retaining foster carers in the system. Strategies such as the <i>Looking After Children Framework</i> and increased reimbursements have been effective in providing additional support to foster carers, particularly by allowing them to be more involved in planning for children and young people in their care, and acknowledging their important contribution to quality care. The Department of Human Services is continuing this effort, however, recruitment and retention of foster carers remains a significant issue.</p>	<p>An evaluation process is being established to monitor the implementation of the <i>Children, Youth and Families Act 2005</i> and will further strengthen the oversight of the reforms.</p> <p>Victoria's foster care system will continue to be strengthened through:</p> <ul style="list-style-type: none"> • Funding to the Centre of Excellence in Child and Family Welfare to develop and implement a statewide recruitment strategy. This two-part strategy will promote the valuable role of foster carers in the community as well attracting new carers. Enquiry numbers to the Centre's Foster Care Hotline will be monitored. • The development of a therapeutic foster care model acknowledges the special and complex needs of children entering care. • The implementation of the common core training and assessment of all new foster carers. <p>The outcomes of these and past initiatives to support foster care in Victoria will be reported accordingly.</p>
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PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 17 (Page 179)**

<p>The Department of Treasury and Finance in conjunction with the Office for Children have a role in evaluating the cost effectiveness of payments to foster carers.</p>	<p>Accept in part</p>	<p>Providing support to foster carers in the form of reimbursement for the costs of care is an important strategy to assist in the recruitment and retention of foster carers.</p> <p>The Department of Treasury and Finance has an ongoing role in reviewing cost effectiveness of different interventions in the context of Government's budget process and the Department of Human Services works collaboratively with that department in this regard.</p>	<p>The Victorian government will continue to monitor the broad issue of carer recruitment and retention and is examining a range of strategies to address this.</p>
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• **Recommendation 18 (Page 183)**

<p>The Department of Human Services ensure:</p> <p>(a) all audit issues arising from the 2005 Auditor-General's performance audit on its out of home care reforms are fully addressed; and</p> <p>(b) Parliament is adequately informed over time about the extent to which implementation of its new strategic framework for out of home care services leads to improved outcomes for children.</p>	<p>Accept in Principle</p>	<p>(a) All of the recommendations from the Auditor-General's performance audit have either been implemented, or are being addressed by the Office for Children.</p> <p>(b) The <i>Family and Placement Support Sector Development Plan</i> was launched in August 2006. A number of the key recommendations have been implemented or are in the process of being implemented.</p>	<p>The implementation of the <i>Family and Placement Support Sector Development Plan</i> will be progressively reviewed and revised to meet the changing needs of children and young people, carers and Community Service Organisations. The outcomes of this evaluation will be reported accordingly.</p>
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PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 19 (Page 185)</p>			
<p>Future budget papers disclose numbers to supplement percentage based performance measures in outputs managed within the portfolio for Children.</p>	<p>Accept in principle</p>	<p>The Department of Human Services regularly reviews the suite of performance measures included in State Budget Papers and other publications.</p>	<p>The Department of Human Services will consider the recommended performance measure supplementation as part of its annual review of performance indicators to be included in 2007-08 Budget Papers. The results of the review will be provided to the Department of Treasury and Finance, as the department responsible for Budget Paper content, as part of that department's Budget Paper development process.</p>

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• **Recommendation 20 (Page 186)**

<p>The Department of Human Services:</p> <p>(a) ensure Parliament is fully informed about the results of its Outcomes for Children project and associated modifications to the direction of programs for children; and</p> <p>(b) use this research to enhance the portfolio's output performance measures and targets presented in future budget papers.</p>	<p>(a) Accept</p> <p>(b) Accept in principle</p>	<p>(a) In keeping with its terms of reference, the Children's Services Coordination Board oversaw the preparation of the first <i>State of Victoria's Children</i> report. This report was published by the Department of Human Services in October 2006 and is available on the Office for Children website.</p> <p>(b) The Department of Human Services regularly reviews the suite of performance measures included in State Budget Papers and other publications.</p>	<p>Review of the Department of Human Services Budget Paper performance measures will consider the findings of the Children's Services Coordination Board report. Advice on Budget Paper performance measures will then be provided to the Department of Treasury and Finance, as the department responsible for Budget Paper content, as part of that department's Budget Paper development process.</p> <p>Advice in this context will rely on endorsement by the Children's Services Coordination Board of indicator use across Government.</p> <p>The Office for Children will encourage the use of these indicators, associated data collection tools and resulting datasets in:</p> <ul style="list-style-type: none"> • Planning at a population level to improve outcomes, including for particularly disadvantaged groups; • Development of programs focused on the improvement of child outcomes; • Program reporting; • Evaluating program effectiveness; and • Development of a research agenda for children, to influence both commissioned research and that undertaken by independent sources.
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• **Recommendation 21 (Page 191)**

<p>The Department of Human Services evaluate the outcomes delivered by its Support and Choice initiative, including a comprehensive survey of participants.</p>	<p>Accept in part</p>	<p>The Lime Consulting Group has undertaken an independent evaluation of the first year of <i>Support & Choice</i> in operation and an evaluation report produced confirmed its Individual Planning and Support (IP&S) approach.</p> <p>The evaluation stated that:</p> <p>“Overall, Support & Choice has confirmed that the IP&S approach is an important direction for the future and has the potential to greatly improve the participation and quality of life for people with a disability and their family/significant others. Notably, there is significant broad scale commitment to the principles of an IP&S approach across all stakeholder groups.” (Lime Consulting Group, 2005)</p> <p>In addition to the review of the <i>Support & Choice</i> program, a review of each person's individual plan is undertaken every 12 months or as requested by the participant through the <i>Support & Choice</i> initiative. The review involves an evaluation of the individual's outcomes and their current needs and circumstances.</p>	<p>Individual outcomes will be monitored as part of the Disability Services Quality Monitoring Framework.</p>
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PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 22 (Page 193)</p>			
<p>The Department of Human Services commission an urgent evaluation of the effectiveness of the older carer support packages and its planning activities targeted at older carers of people with disabilities.</p>	<p>Accept in part</p>	<p>Individual Packages are based on individual planning and are reviewed annually (or as requested by the participant) to determine if the planned supports are meeting the person's needs and those of their family and carers. Individuals and their families are actively engaged in these reviews and are encouraged to make contact with the Department of Human Services at any time their needs and circumstances change which may trigger a subsequent review if required.</p> <p>Implementation of the Disability Support Register (DSR) has captured a clearer and more accurate picture of individuals' support requirements, enabling the Department of Human Services to better respond to people's needs, including older carers of people with disabilities.</p>	<p>The Department of Human Services will continue to develop information resources and peer support mechanisms to support families taking an active role in planning for the future.</p> <p>The implementation of the <i>Disability Act 2006</i> will see the development of a new planning model which will support people with a disability and their family members to better plan for their needs.</p>
<p>• Recommendation 23 (Page 195)</p>			
<p>The Department of Human Services develop a strategy that addresses the needs of people with a disability over the age of 50 years who reside in residential aged care facilities.</p>	<p>Accept in principle</p>	<p>The Department of Human Services acknowledges that there are people over the age of 50 who are inappropriately placed in residential aged care.</p> <p>The initial priority for the <i>My Future My Choice</i> initiative will be people aged under 50 years who are currently in residential aged care, or at risk of entering residential aged care.</p>	<p>People with a disability who are aged between 50 and 64 years can register an interest in the <i>My Future My Choice</i> initiative or request a service by contacting the Department of Human Services' regional intake service.</p>
<p>• Recommendation 24 (Page 195)</p>			
<p>The Department of Human Services ensure its capital program for people with a disability, who require disability and nursing support, addresses the growing need for alternatives to residential aged care facilities.</p>	<p>Accept in principle</p>	<p>The Department of Human Services is exploring and developing a range of residential support models, including initiatives to provide support to people with nursing and clinical care needs in their own home or in the community as part of the <i>My Future My Choice</i> initiative.</p> <p>The <i>My Future My Choice</i> initiative provides an opportunity to develop a range of alternative support models to residential aged care for people with nursing and clinical care needs.</p>	<p>As part of the <i>My Future My Choice</i> initiative, expressions of interest will be called to establish facilities in specific locations.</p> <p>New models will be developed in response to the identified needs of younger people in residential aged care and for those at risk of entering aged care, with an emphasis on individual planning and support.</p>

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PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 25 (Page 196)</p>			
<p>The Department of Human Services publish on its website the evaluation findings of the six month trial of the new approach that enables people with a disability to purchase services and supports directly without going through a disability agency or a broker.</p>	<p>Accept</p>	<p>Liz Dimitriadis Consulting (LDC Group) has been appointed to evaluate the Direct Payments project trial.</p> <p>LDC has consulted with the Department of Human Services, Direct Payments trail participants and service providers in the development of an evaluation framework.</p>	<p>A summary of the evaluation will be available for publication at the conclusion of the Direct Payments trail.</p>
<p>• Recommendation 26 (Page 199)</p>			
<p>The Department of Human Services develop performance measures for the Disability Housing Trust that include the number of people with a disability accommodated by the trust.</p>	<p>Accept in principle</p>	<p>The current monitoring and reporting requirements for the Disability Housing Trust are specified in an initial Funding Deed executed between the Department of Human Services and the Disability Housing Trust in June 2006. Current reporting requirements focus on the development of a strategic plan to achieve the Trust's target to provide new accommodation options to at least 100 people with a disability.</p>	<p>A supplementary Funding Deed will be negotiated to incorporate recommendations from the Trust's Strategic Plan. This will provide an opportunity for the Department of Human Services to negotiate new performance measures with the Trust.</p>
<p>• Recommendation 27 (Page 201)</p>			
<p>Progress made in delivering key strategies in the Victorian State Disability Plan, including developments that have occurred in expanding access to trams for people with a disability, be included in the Department for Victorian Communities' annual report, on departmental websites and in the budget papers.</p>	<p>Accept in Principle</p>	<p>Progress made in delivering key strategies in the Victorian State Disability Plan has been highlighted in the <i>Report on the Implementation of the Victorian State Disability Plan 2002-2012</i> (March 2006), which is available on the Department of Human Services' website.</p> <p>The Department for Victorian Communities and Department of Infrastructure, which is accountable for tram accessibility, are responsible for the content of their respective annual reports.</p>	<p>Through the Inter-Departmental Committee (IDC) overseeing implementation of the Victorian State Disability Plan, the Department of Human Services will continue to pursue a whole-of-government approach to supporting people with a disability and progressing implementation of the Victorian State Disability Plan.</p>

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PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 28 (Page 201)</p>			
<p>In the interests of enhancing accountability, the government express targets in definitive and meaningful terms.</p>	<p>Accept in principle</p>	<p>The Department of Human Services regularly reviews the suite of performance measures included in State Budget Papers and other publications to ensure meaningful and comprehensive reporting of performance outcomes.</p> <p>In respect of disability services, the Disability Services division of the Department of Human Services is currently reviewing performance measures and associated targets in light of operational effectiveness of the <i>Disability Act 2006</i> by 1 July 2007.</p>	<p>The review of performance measures and associated targets will make recommendations to the Department of Treasury and Finance on performance measures and targets for inclusion into State Budget Paper reporting as appropriate.</p>
<p>• Recommendation 29 (Page 201)</p>			
<p>As a matter of urgency, the Department of Human Services ensure the Disability Support Register is completed in a timely manner.</p>	<p>Accept</p>	<p>The Disability Support Register (DSR) became operational across all Department of Human Services regions on 1 April 2006. People who have been identified as having a current and ongoing need for disability support are registered on the DSR.</p>	<p>The effectiveness of the DSR will continue to be reviewed and monitored through implementation groups which include people with a disability, families and carers, service providers, advocacy organisations and the Department of Human Services.</p>

CHAPTER 8 GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET ESTIMATES

DEPARTMENT OF HUMAN SERVICES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 30 (Page 205)**

The Department of Human Services develop a performance measure that reflects the aggregate number of the various forms of 'hospital beds', including same day hospitalisations/procedures, hospital-in-the-home care, and medi-hotels across the public hospital system.

Reject

The Department of Human Services has previously advised that the use of simple bed numbers as a key indicator of health system performance is not appropriate due to the changing nature of hospital activity, e.g. increasing proportion of same day episodes. This has been acknowledged by the Productivity Commission in their annual *Report on Government Services*. Consideration must also be given to the need for Victorian indicators to align with the national performance reporting framework.

The Victorian government has initiated work at the national level to improve health system reporting, including development of comprehensive 'hospital bed' measures.

The Victorian government is leading a working party of the Statistical Information Management Committee (SIMC) and agreement has been reached on the need to:

- account for same day only treatment and recovery facilities separately from traditional bed number measures;
- account for neonatal cot usage;
- clarify the counting rules to set out clearly how each of these is counted in terms of a 'bed' available for same day surgery.

The Victorian government will continue to actively pursue the development of nationally consistent definitions and data standards for the health system. The achievement of nationally consistent terminology will drive the timing of indicator development. The development of key performance indicators will also form part of the renegotiation of the *Australian Health Care Agreement*.

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DEPARTMENT OF HUMAN SERVICES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 31 (Page 207)**

<p>The Department of Human Services publish a triennial report on the health outcomes derived from the Victorian Government's investment in prevention and disease management strategies.</p> <p>Appropriate linkages should also be formed by developing a suite of performance indicators that cover the relationship between risk factors and health outcomes.</p>	<p>Accept in Principle</p>	<p><i>Your Health</i> is a compendium of key indicators of health and health outcomes produced every two to three years. The first report was produced in 2005. Annual reports on health and health risk factors are generated from the <i>Victorian Population Health Survey</i>. The <i>Victorian Burden of Disease Study</i> provides analyses and reports on burden of major diseases and the attribution of burden to major risk factors.</p>	<p>The Department of Human Services plans to review the societal burden of chronic diseases in Victoria and to examine the economic impact of chronic diseases and health inequalities in Victoria. The Department of Human Services also plans to further develop the health and risk factor surveillance system to improve capacity for ongoing reporting on health and determinants of health in Victoria.</p> <p>The Victorian Health Information Surveillance System will result in <i>Your Health</i> being available as an electronic semi-interactive resource for the community. Capacity to provide improved quality of measures of chronic disease prevalence (e.g., blood pressure, diabetes and obesity), diet, nutrition and risk factor prevalence is being planned through a biomedical risk factor measurement survey for Victoria in 2007-08 (Victorian Food Health Monitor).</p>
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• **Recommendation 32 (Page 212)**

<p>If departments have incurred expenditure on a particular program over a certain value, either directly or by way of grants to a funded agency, the combined value should be taken into account when making judgements about whether the stipulated threshold has been exceeded or not.</p>	<p>Accept in principle</p>	<p>Reporting and disclosure guidance in relation to departmental expenditure is stipulated in both accounting standards and the Financial Reporting Directions which all departments are required to comply with.</p>	<p>No further action planned.</p>
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CHAPTER 8 GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET ESTIMATES

DEPARTMENT OF HUMAN SERVICES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 33 (Page 222)**

<p>The Department of Human Services adopt a risk management framework over its capital works program to ensure any avoidable delays to project completion are addressed at an early stage. This framework should include an internal review mechanism of project management to detect and rectify delays.</p>	<p>Accept in principle</p>	<p>The Department of Human Services has in place a comprehensive set of project management procedures and guidelines that incorporate review of capital projects at each stage of development. Continuous reviews of project risks are undertaken as part of the department's project management activities across its asset investment program, and include reviews of scope, time and budget related risks.</p> <p>As part of these project management activities, risk mitigation strategies are developed and implemented as required to minimise adverse impacts on budget and project outcomes.</p> <p>Projects are managed through either a steering group or project control group, with monthly reporting on program, time related and other project risk issues. An Internal Project Review Committee has been established within the department, consisting of senior staff and individual project managers, which also monitors project performance and provides guidance and direction to larger capital projects. Value management reviews are also carried out at key stages, particularly on larger projects.</p> <p>The Department of Human Services' Risk Management Committee also oversees systems and approaches utilised in managing Department of Human Services portfolio and shared departmental risks, including major project budget and schedule risks.</p> <p>In addition to these internal governance and risk management structures, the department's capital projects are developed within government's Gateway framework, with business cases prepared for all projects that incorporate review of potential project related risks. All major capital projects (and selected projects identified as medium risk) are subject to Gateway reviews, which are conducted by independent review panels and provide a key focus on assessing and managing project risks.</p>	<p>Further review of risk management processes is to be undertaken to ensure consistency across the Department of Human Service's asset investment program.</p>
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CHAPTER 8 GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET ESTIMATES

DEPARTMENT OF HUMAN SERVICES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 34 (Page 223)

<p>The Department of Human Services monitor the effectiveness of its strategies for reducing the staff vacancy rate in community dental clinics across rural Victoria.</p>	<p>Accept</p>	<p>Vacancy rates at all public dental clinics are monitored by the Department of Human Services through quarterly workforce reports provided by Dental Health Services Victoria.</p> <p>New rural workforce initiatives have commenced including:</p> <ul style="list-style-type: none"> • Investment in the establishment of the Bachelor of Oral Health Science at La Trobe University Bendigo; • New and expanded bonded rural scholarships provided to students of the Bachelor of Oral Health and the Bachelor of Dental Science at the University of Melbourne, and the Bachelor of Oral Health Science at La Trobe University Bendigo; • An increased rural allowance to attract and retain staff in rural clinics; and • Recruitment of overseas trained dentists for public dental clinics. 	<p>The Department of Human Services will continue to monitor workforce reports and implement initiatives that target enhancement of the rural dental workforce.</p>
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CHAPTER 8 GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET ESTIMATES

DEPARTMENT OF HUMAN SERVICES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 35 (Page 228)**

<p>The Office of Housing strengthen its contract management practices to ensure it takes action earlier where contractual non-performance is evident.</p>	<p>Accept</p>	<p>The following actions have been taken to strengthen Office of Housing contract management practices and ensure timely action is taken where contractual non-performance is evident:</p> <p><i>Contracts for the maintenance of housing stock</i></p> <ul style="list-style-type: none"> • monthly meetings are conducted with head maintenance contractors; • quarterly contractor performance reports and assessments are made and a new framework for the assessment of contractors performance has been implemented; • prevention plans are implemented where risk of non-compliance is identified; • an internal Contractor/Consultant review panel has been established to review external party performance; • a risk management and contract management plan for the tender of responsive maintenance contracts has been developed; • staff training in contract management has been provided; • a new complaints management system for maintenance works has been developed and more tenants are surveyed to monitor the performance of maintenance contractors; and • compliance audits are conducted on 5% of completed works and emerging non-compliance trends are investigated. <p>The results of the Victorian element of the social housing survey conducted in 2006 confirmed the implementation of the above steps has led to an improvement in the performance of maintenance contractors.</p>	<p>The Office of Housing will continue to review its contract management practices to strengthen processes for earlier identification and correction of underperformance by contractors. This rigorous contract monitoring and review processes will lead to continuous improvements in contract performance.</p> <p>Management of the HiiP project is to be returned to the Office of Housing to improve governance procedures through government-endorsed program/project management. A newly constituted program board will monitor and manage the future stages of project activity.</p>
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CHAPTER 8 GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET ESTIMATES

DEPARTMENT OF HUMAN SERVICES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
		<p><i>Contracts for housing stock capital works</i></p> <ul style="list-style-type: none"> • contractual performance is managed within a quality management system that is accredited to ISO 9001/2001 standards; • the system is accredited by an independent assessment agency and field audits are conducted by the agency on a regular basis; • a rolling program of peer audits is undertaken; • project control groups are in place for all major capital projects; • contractors and consultants are generally drawn from the pre-qualified register run by Department of Infrastructure (DOI); • the Office of Housing reviews the performance of each consultant/contractor and reports the results to DOI; and • an internal Contractor/ Consultant Review Panel has been established to review external party performance. <p><i>Housing Integrated Information Program (HiIP) contract</i></p> <p>As the report mentions, due to significant implementation, performance and design issues, the Office of Housing terminated the contract with Anite at the end of June 2006. Subsequently the Office of Housing has:</p> <ul style="list-style-type: none"> • recovered \$26 million from the contractor; • brought the management of the remediation of stage one in-house, with stage one now fully functional; and • engaged independent advisors and external consultants to plan the future delivery of the rest of the project. Governance has been a key focus of the early re-planning stage. 	

CHAPTER 9: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF INFRASTRUCTURE

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 36 (Page 243)</p>			
<p>The Department of Infrastructure evaluate whether its programs and advertising campaigns have been effective in changing consumer behaviour in terms of using energy more efficiently.</p>	<p>Accept in Principle</p>	<p>The first phase of the long-term energy saving campaign, completed in August 2006, did not specifically aim to change behaviour, but rather aimed to improve awareness of:</p> <ul style="list-style-type: none"> - the environmental impacts of energy use, and - benefits resulting from energy saving behaviours. <p>Subsequent stages of the campaign will focus on changing attitudes (2006-2008) and changing behaviour (2007-08).</p>	<p>Results of this first phase of the campaign to increase awareness of the impact of energy use and benefits of energy saving will inform the design of subsequent phases of the campaign, and approaches to future evaluation.</p> <p>Following implementation of the latter stages of the campaign, consideration may be given to evaluating how effective the programs and advertising campaigns have been in changing consumer behaviour in terms of using energy more effectively.</p>
<p>• Recommendation 37 (Page 244)</p>			
<p>The Department of Infrastructure develop ways to measure the number of energy consumers who are experiencing financial hardship and are expected to benefit from financial assistance provided by the Victorian Government and energy retailers in 2006-07 and 2007-08.</p>	<p>Accept in Principle</p>	<p>In approving the interim hardship policies of the three "local" energy retailers – AGL, Origin Energy and TRUenergy – the former Minister for Energy Industries asked that each retailer provide quarterly reports to DOI on the operation of their interim hardship programs, including information about the number of customers served by the programs.</p> <p>While information will be collected from retailers on numbers of customers who are participating in their hardship programs, it will also inform stakeholders on the scope and performance of retailers' responses to energy hardship. This approach reflects DOI's intention not to over-prescribe the means and depth of retailers' programs, but rather to focus on program outcomes.</p> <p>DOI will also seek from DHS and energy retailers the level of government energy concessions and utility relief grants paid out to customers experiencing financial hardship.</p> <p>(Note that under machinery of government changes responsibility for Energy Policy has moved to the Department of Primary Industries).</p>	<p>As the Essential Services Commission (ESC) is responsible under energy legislation for the ongoing regulatory oversight of retailers' hardship policies, DOI will discuss with the ESC the nature of future data requirements.</p>

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DEPARTMENT OF INFRASTRUCTURE

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 38 (Page 252)**

<p>The Department of Infrastructure examine options to quantify the costs and benefits of consolidating information and communication technology services across government.</p>	<p>Accept</p>	<p>The integration of Information and Communication Technology (ICT) services is a key component of the Government's <i>Efficient Government</i> policy announced during the recent election campaign. Responsibility for advising the Government on the delivery of this commitment has transferred from the Department of Infrastructure to the Department of Treasury and Finance.</p>	<p>An examination of the costs and benefits associated with a range of alternative shared services arrangements (including ICT services) will be undertaken by the Department of Treasury and Finance in consultation with other departments.</p>
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• **Recommendation 39 (Page 261)**

<p>The Victorian Government's proposed regime for reporting annually to Parliament on the Meeting Our Transport Challenges plan encompass financial and non-financial performance for all projects, and progressive achievement of its expected outcomes.</p>	<p>Accept in Principle</p>	<p>All projects announced in <i>Meeting our Transport Challenges (MoTC)</i> will follow the required Government reporting arrangements.</p> <p>Each year capital projects will be published in Budget Information Paper No. 1 which reports on major asset investment projects.</p> <p>The Department's major output initiatives will be incorporated into the service delivery information provided in the Annual Report and output statements reported in the Budget Papers.</p> <p>The Government has established the <i>Meeting our Transport Challenges Reserve</i> which provides a specific budget provision for future projects. The Government will ensure accountability by reporting on projects that are funded from the Reserve, in the State Budget each year.</p> <p>The Government has already provided a detailed cash flow report as part of the 2006-07 Budget regarding the use of the Meeting our Transport Challenges Reserve (see Budget Paper No.4).</p>	<p>As <i>MoTC</i> projects are approved, output performance measures and targets will be established or adjusted in accordance with the established reporting framework under the Resource Allocation Framework.</p>
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CHAPTER 9: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF INFRASTRUCTURE

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 40 (Page 264)</p>			
<p>The Department of Infrastructure ensure there is comprehensive coverage in its annual report on the implementation of the new ticketing solution across the public transport network, including performance against cost and time targets.</p>	<p>Accept in Principle</p>	<p>As a statutory entity formed under the <i>State Owned Enterprises Act 1992</i>, the Transport Ticketing Authority is required to comply with all reporting and compliance requirements of a Public Body. This includes a variety of reports on its activities and the progress of the New Ticketing System (NTS) project. It also provides its Annual Report to Parliament.</p> <p>Performance measures relating to the development of the new integrated public transport ticketing solution are reported in the Budget Papers and the Department of Infrastructure's Annual Report. These performance measures report on when the installation of NTS equipment / devices will commence and when the NTS pilot implementation will commence.</p>	<p>The Department of Infrastructure will review its coverage of the implementation of the new ticketing system in the Annual Report.</p>
<p>• Recommendation 41 (Page 267)</p>			
<p>The Department of Infrastructure publish in its annual report to Parliament information about the economic and social benefits to the community from implementation of the Regional Fast Rail project.</p>	<p>Accept</p>	<p>The Department of Infrastructure's 2005-06 Annual Report reported on the wide benefits of the project including the new V'Locity trains; the new timetable providing 401 extra services per week for Victoria's main regional centres, its more suitable range of services and their broader spread of hours; the improved bus connections; the safety benefits from the new signalling, train safety system and level crossing upgrades; and the rebuilding of neglected infrastructure to secure the long term future of regional rail services.</p>	<p>No further action planned.</p>

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DEPARTMENT OF INFRASTRUCTURE

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 42 (Page 268)**

<p>The Victorian Taxi Directorate within the Department of Infrastructure establish and report against trend targets to assist further improvement in the timeliness of its investigation of complaints against taxi drivers.</p>	<p>Accept</p>	<p>The Victorian Taxi Directorate (VTD) has employed twelve compliance staff since September 2005 to bolster the VTD's ability to address complaints in a timely manner. The VTD has commenced dialogue with depots and driver training establishments to identify ways in which they can work together to address concerns expressed by taxi travellers. VTD's Compliance Unit has been attending taxi driver training facilities and talking to trainee drivers about expectations from them, including standards of behaviour, knowledge, refusal of fares and customer service, as these seem to be areas that generate most complaints.</p> <p>Performance measures relating to complaints against taxi drivers are reported in the Budget Papers and the Department of Infrastructure's Annual Report. These performance measures report the number of taxi service complaints investigated and the percentage of serious complaints for which preliminary investigations are completed within ten days.</p>	<p>Performance measures and associated targets for the timeliness of investigations of complaints against taxi drivers will be reviewed as part of the annual review of performance measures and targets for inclusion in the Budget Papers.</p>
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CHAPTER 10: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF INNOVATION, INDUSTRY AND REGIONAL DEVELOPMENT

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 43 (Page 277)</p>			
<p>The Department of Innovation, Industry and Regional Development publicly release the results of the assessment of its financial services industry action plan <i>Investing in Victoria's Future</i>.</p>	<p>Accept in principal</p>	<p>A "Report Card" on the progress of implementing the two year financial services action plan has been prepared and will be completed at the finalisation of all initiatives. The major program funded under this initiative, "The Melbourne Centre for Financial Studies" released an Annual Review on 2005-06.</p>	<p>The Annual Review of the Melbourne Centre for Financial Studies is available on request to the Centre or can be accessed through the Victorian Government website.</p>
<p>• Recommendation 44 (Page 279)</p>			
<p>The Department of Innovation, Industry and Regional Development publish the final cost to the Victorian Government of the High Court challenge on the constitutional validity of the new Commonwealth industrial relations legislation.</p>	<p>Accept</p>	<p>The cost to the Victorian Government of the High Court challenge is still being finalised.</p> <p>PAEC was previously advised of an interim cost of \$513,000 relating to senior and junior counsel's fees billed up to that date. We are currently awaiting further information in light of the recent cessation of the challenge.</p>	<p>The High Court handed down its decision on 14 November 2006. The High Court dismissed the challenges to the constitutional validity of the legislation. Plaintiffs were ordered to pay costs, which are yet to be determined.</p>
<p>• Recommendation 45 (Page 281)</p>			
<p>The Department of Innovation, Industry and Regional Development develop new performance measures to enable the effectiveness of the seminars conducted by the Workplace Rights Advocate to be assessed.</p>	<p>Accept</p>	<p>The Workplace Rights Advocate currently reports against its Budget Paper No 3 output performance measure target.</p>	<p>The Workplace Rights Advocate will consult with the State Services Authority to develop appropriate performance measures. The SSA is required, under the Workplace Rights Advocate Act 2005, to conduct a review of the Workplace Rights Advocate after 3 years. The consultation will involve determining appropriate output performance measures to assist in the review. Performance measures will be developed prior to finalisation of the 2007-08 Budget Papers.</p>

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DEPARTMENT OF INNOVATION, INDUSTRY AND REGIONAL DEVELOPMENT

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 46 (Page 284)</p>			
<p>The Department of Innovation, Industry and Regional Development outline the desired outcomes expected from the Healthy Futures life science statement, and inform Parliament about progressive achievement of those outcomes.</p>	<p>Accept</p>	<p>Healthy Futures includes \$230 million towards initiatives which aim to strengthen Victoria's international reputation as a world-class centre for medical research, create new industries and jobs and improved health outcomes. The major capital works initiatives in Healthy Futures are being funded through grant arrangements with third parties. The grants are governed within a strict contractual framework.</p>	<p>The Government will report on initiatives in Healthy Futures through the usual reporting mechanisms such as departmental annual reports with project milestones.</p>
<p>• Recommendation 47 (Page 284)</p>			
<p>Future budget papers include performance measures and output targets relating to funding allocations made under Healthy Futures, to enable Parliament to assess progress towards attainment of higher level outcomes.</p>	<p>Accept in principle</p>	<p>The 2007-08 Budget Papers will include output targets for funding initiatives under Healthy Futures.</p>	<p>The Department of Innovation, Industry and Regional Development will discuss appropriate output performance measures with DTF.</p>
<p>• Recommendation 48 (Page 286)</p>			
<p>The Department of Innovation, Industry and Regional Development ensure Parliament receives the results of the Victorian Government's review of the implementation of the Biotechnology Strategic Development Plan for Victoria 2004.</p>	<p>Accept</p>	<p>The Victorian Biotechnology Strategic Development Plan 2004-07 will be reviewed and updated during 2007.</p>	<p>The Department of Innovation, Industry and Regional Development will complete a review of the Biotechnology Strategic Development Plan (2004-2007), and the results will be incorporated into the next iteration of the Biotechnology Strategic Development Plan (2007-2010). The outcomes of the review and the New Plan will be presented to the Minister for Innovation to table in Parliament by 31 December 2007.</p>

CHAPTER 10: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF INNOVATION, INDUSTRY AND REGIONAL DEVELOPMENT

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 49 (Page 287)**

<p>The Department of Innovation, Industry and Regional Development update its Opening Doors to Export Strategy to reflect the Victorian Government's position in terms of export targets.</p>	<p>Accept in principle</p>	<p>The target of doubling the number of exporters arose as an agreed target between Commonwealth and all State and Territory Governments under the "<i>Memorandum of Understanding on cooperation towards a national doubling of Australian exporters</i>" in August 2002. This was then incorporated into the Opening Doors to Export Program in 2004.</p> <p>The Department of Innovation, Industry and Regional Development continues to monitor the effectiveness and impact on value and number of exporters of Opening Doors to Export Plan programs.</p>	<p>The experience nationally has been similar to Victoria with an overall decline in number of exporters largely influenced by external factors such as currency variations and impact of drought.</p> <p>The Department of Innovation, Industry and Regional Development will undertake regular review of the Government's overall export strategies including setting of export targets.</p>
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• **Recommendation 50 (Page 288)**

<p>The Victorian Government continue to make representations to the Commonwealth Government about restrictive trade practices that are affecting small businesses.</p>	<p>Accept</p>	<p>Victoria has been actively involved in advocating changes to the Commonwealth's <i>Trade Practices Act</i>, championing for a competitive and fair business environment for both large and small businesses. Most recently, <i>Trade Practices Act</i> competition issues were an agenda item at the Small Business Ministerial Council meeting in Melbourne in June 2006. Issues raised by States included:</p> <ul style="list-style-type: none"> • merger issues; • collective bargaining for small business; and • misuse of market power, especially predatory pricing, which was led by Victoria. <p>The Victorian Small Business Commissioner has established a cooperative arrangement with the Australian Competition and Consumer Commission (ACCC) and refers matters to the ACCC regarding unfair market practices affecting small businesses where appropriate.</p>	<p>The Department of Innovation, Industry and Regional Development will continue to make representations to the Commonwealth Government to amend its trade practices legislation to ensure that small businesses are adequately protected from unfair market practices.</p> <p>As announced in the Victorian Government's Small Business Statement, <i>Time to Thrive</i>, The Department of Innovation, Industry and Regional Development will raise awareness of the potential benefits of collective negotiation among small businesses under the <i>Trade Practices Act</i> provisions. It will provide assistance and demonstration projects to increase the use of collective negotiation to redress imbalances in negotiating power.</p>
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CHAPTER 10: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF INNOVATION, INDUSTRY AND REGIONAL DEVELOPMENT

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 51 (Page 293)

<p>The Department of Innovation, Industry and Regional Development report on the financial position and the ongoing viability of the Docklands Film and Television Studios in its 2006-07 annual report.</p>	<p>Accept in principle</p>	<p>These items are disclosed within the financial section of the Department of Innovation, Industry and Regional Development's annual report, which may include, where appropriate, notes to provide further clarification. In the preparation of the Department's financial statements, which are audited by the Victorian Auditor General's office, consideration is given to the loan to the operator in order to ensure a true and fair view is presented.</p>	<p>The studios are operated by a private operator who is responsible for and manages the studios on a day to day basis. The Department of Innovation, Industry and Regional Development's formal interest in the project stems from the operators' loans and the associated project agreements between the State and the operator.</p>
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CHAPTER 11: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF JUSTICE

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 52 (Page 310)</p>			
<p>The Department of Justice publish explanations for all budget variances in excess of 10 per cent, in future budget papers, to increase transparency and accountability.</p>	<p>Accept</p>	<p>Publication requirements for budget papers are set by the Department of Treasury and Finance and apply uniformly across all Departments. Accordingly, this recommendation for explanation for all budget variances in excess of 10 per cent in future budget papers is a policy issue for the Department of Treasury and Finance to consider.</p> <p>Explanations of variance for the Department of Justice were published in the 2005-06 Annual Report and will continue to be in future reports.</p>	<p>The Department of Treasury and Finance has issued guidance to all departments in Budget and Financial Management Information Request No 41 in relation to the preparation of the 2007-08 Budget. The Department of Justice will comply with this guidance for the preparation of the 2007-08 budget papers including explanation of variances.</p>
<p>• Recommendation 53 (Page 327)</p>			
<p>The Department of Justice publish details of the evaluation timeframe for the Corrections Long Term Management Strategy, and publish results of completed evaluations.</p>	<p>Accept</p>	<p>No action undertaken to date.</p>	<p>The Department of Justice will publish details of its evaluation timeframe in its 2006-07 Annual Report and will progressively publish the results of completed evaluations on its website</p>
<p>• Recommendation 54 (Page 329)</p>			
<p>To assist budgetary decision making about the level of funding to be allocated to future problem gambling initiatives in Victoria, the Department of Justice undertake a benchmarking exercise with similar jurisdictions.</p>	<p>Accept in part</p>	<p>An overall review of the Problem Gambling Strategy commenced in August 2006. The review is being undertaken in two stages. KPMG has been contracted for the first stage of the review and is benchmarking the Victorian Problem Gambling Strategy against problem gambling programs in other Australian jurisdictions and New Zealand.</p>	<p>Further action will be influenced by the findings of the Stage 1 final report.</p>

CHAPTER 11: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF JUSTICE

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 55 (Page 331)**

<p>To inform policy and budget development relating to future problem gambling initiatives and to encourage responsible gambling, the Department of Justice commission a multifaceted research project specific to Victoria that:</p> <p>(a) identify the number of problem gamblers who participate in each form of gambling product other than electronic gaming machines;</p> <p>(b) quantify gambling losses according to gambling products as a proportion of household final consumption expenditure;</p> <p>(c) examine the reasons gamblers become problem gamblers rather than responsible gamblers; and</p> <p>(d) explore the development of suitable preventative strategies to reduce the prevalence of some gambling developing into an addiction.</p>	Accept	<p>General: The Government will continue to progress a number of different activities aimed at developing its response to problem gambling</p> <p>a. An epidemiological study has been advertised for Victoria and tenders are being considered.</p> <p>b. The Australian Gambling Statistics published annually has gambling losses as a proportion of household disposable income but not consumption expenditure. These statistics for each jurisdiction and for Australia as a whole cover the period 1979-80 to 2004-05. Statistics for 2005-06 will be available in the latter half of 2007.</p> <p>c. Linking specific gambling behaviours to associated motivations has yet to be proved. Psychological studies have indicated a strong level of association between factors like depression and problematic gambling behaviour.</p> <p>d. The Government has recently released Taking Action on Problem Gambling, a five year strategy which includes a range of measures the Government will implement to further reduce the prevalence of problem gambling.</p>	<p>a. It is intended that this study form part of a longitudinal study to trace specific population groups over time, how the problem gambling populations changes and the forms of gambling involved with those groups.</p> <p>b. The epidemiological study will also collect socio-economic and demographic data that will enable some estimation of Victorian expenditure levels by gambling type.</p> <p>c. The transition from a no-risk, at risk to a status of problem gambler according to the preferred problem gambling screen (Canadian Problem Gambling Index) will form part of the longitudinal study outlined at (a) above.</p> <p>d. The measures outlined in Taking Action on Problem Gambling will be progressively implemented and their effectiveness monitored.</p>
	Accept in part		
	Accept		
	Accept		

CHAPTER 11: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF JUSTICE

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 56 (Page 332)</p>			
<p>The annual report of the Department of Justice include information on the achievements of the Victorian Government's Problem Gambling Communication Strategy, including the Think of What You're Really Gambling With campaign.</p>	<p>Accept</p>	<p>On 1 July 2005 the Problem Gambling Communication Strategy was transferred to the Department of Justice due to machinery of government changes. The Department of Justice 2005-06 Annual Report is the first annual report which reflects the machinery of government changes. The 2005-06 Annual Report includes achievements of the Problem Gambling Communication Strategy:</p> <ul style="list-style-type: none"> • Phase four was launched in October 2005 with a new advertising campaign focusing on early intervention and responsible gambling. Campaign activity continued in June 2006. • In-venue advertising program was continued in 2005-06. • Responsible Gambling Awareness Week was held from 19 -25 June 2006. 	<p>The Department of Justice will also begin producing an annual summary of Gamblers Help Service data to assist in transparency of the system and to aid researchers interested in the field.</p>
<p>• Recommendation 57 (Page 335)</p>			
<p>Victoria Police report externally on the implementation and subsequent benefits of adopting the People Allocation Model once it is in place.</p>	<p>Accept in part</p>	<p>No action undertaken to date.</p>	<p>Whilst Victoria Police agrees with the external reporting on the implementation of the People Allocation Model, the benefits of adopting the model will be adequately reflected through the external reporting of performance measures that are currently published in its annual report.</p>
<p>• Recommendation 58 (Page 336)</p>			
<p>The Commissioner for Law Enforcement Data Security publish, in its annual report, performance measures and timelines for the development of the new database, to enable assessment of the effectiveness of the LEAP replacement project.</p>	<p>Accept in part</p>	<p>No action undertaken to date.</p>	<p>The LEAP Replacement project is the responsibility of Victoria Police rather than the Commissioner for Law Enforcement Data Security (CLEDS). Hence, it would be inappropriate for performance measures and timelines for the LEAP Replacement project to be included in the CLEDS Annual Report. This information will be included in the Victoria Police Annual Report as a report on a major procurement</p>

CHAPTER 11: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF JUSTICE

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 59 (Page 338)

<p>To enhance accountability regarding the Victorian Government's funding programs to the racing industry, the Department of Justice publish on its website details of the particular projects funded from the new Racing Industry Development Program.</p>	<p>Accept</p>	<p>Documentation in relation to the Racing Industry Development Program 2006/07 funded projects is in the process of being published on the Office of Racing webpage contained within the Department of Justice website.</p>	<p>Successful projects under the Racing Industry Development Program 2006/07 to be listed on the Office of Racing webpage along with the formal media release.</p>
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• Recommendation 60 (Page 338)

<p>The Department of Justice ensure the issue of accessibility is taken into account when allocating funding from the Racing Industry Development Program for capital projects.</p>	<p>Accept</p>	<p>Funding criteria for the Racing Industry Development Program and for the Living Country Racing Program include a focus on increasing access to racing venues for non-racing members of the community, including people with disabilities.</p>	<p>All Funding Agreements for Racing Industry Development Program projects will include the stipulation that the project should comply with the Disability Discrimination Act 1992. Guidelines for the 2007/2008 Racing Industry Development Program will include criteria that focus on access for non traditional users of racing facilities.</p>
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• Recommendation 61 (Page 339)

<p>The Department of Justice commission a research project to:</p> <p>(a) quantify the role women play in various aspects of the racing industry; and</p> <p>(b) identify any opportunities and suggestions for enhancing this involvement.</p>	<p>Accept</p>	<p>No action undertaken to date.</p>	<p>The Department of Justice will work with the racing industry to identify an appropriate funding source and commission research on current and future participation of women in the racing industry.</p>
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CHAPTER 12: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF PREMIER AND CABINET

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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<p>• Recommendation 62(Page 331)</p>			
<p>The Department of Premier and Cabinet facilitate an external review of the Ombudsman's Office to determine whether any additional resources are required and if the Office is achieving its objectives effectively, efficiently and economically.</p>	<p>Reject</p>	<p>The Ombudsman's Office has received significant increases in budget and staff in recent years. Between the reporting periods ending 30 June 2002 and 30 June 2006:</p> <ul style="list-style-type: none"> • Staff numbers in the Office increased from 23 to 47 (a 104% increase); • Office Budget (grants) increased from \$3.288 million to \$5.537 million (a 68% increase); • General jurisdiction complaints finalised increased from 2,288 to 3,261 (a 43% increase); • Telephone inquiries decreased from 14,441 to 11,587 (a 20% decrease). <p>There is an established system for all departments and agencies to seek additional resources and funding to meet changing functions and workloads. The Ombudsman's Office submits a global bid to Government for funding each year and the budget is spent by the Office at the discretion of the Ombudsman.</p>	<p>No further action planned.</p>

CHAPTER 12: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF PREMIER AND CABINET

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 63 (Page 354)**

<p>The Department of Premier and Cabinet take a lead role in evaluating the effectiveness of existing migrant settlement programs in Victoria and to identify and implement new programs where warranted to help integrate migrants into the broader Australian community and culture.</p>	<p>Accept in Principle</p>	<p>Migrant and refugee settlement programs, like the <i>Integrated Humanitarian Settlement Service</i>, are primarily the responsibility of the Commonwealth Government, which works in partnership with the Department for Victorian Communities and Department of Human Services.</p> <p>Specific Victorian Government investment is targeted to the needs of newly arrived refugees through for example: the Department of Human Services' (DHS) <i>Refugee Health and Wellbeing Plan</i>; and the Department for Victorian Communities' (DVC) <i>Refugee Brokerage Program</i>.</p>	<p>DPC can assist DVC and DHS to:</p> <ul style="list-style-type: none"> • work in partnership with the Commonwealth to measure the effectiveness of migrant and refugee services in Victoria; • develop new programs to support migrants, refugees, and other CALD communities. <p>Any evaluation of current migrant and refugee settlement programs should be undertaken in close consultation with the Commonwealth Department of Immigration and Multicultural Affairs and other relevant agencies.</p>
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CHAPTER 12: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF PREMIER AND CABINET

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 64 (Page 355)

<p>The Department of Premier and Cabinet prepares a status report to Parliament and the wider Victorian community on all expenditure from the Tsunami Disaster Reconstruction Fund, along with outcomes achieved.</p>	<p>Accept</p>	<p>The following projects are currently receiving funding from the Tsunami Disaster Reconstruction Fund:</p> <p>Sri Lanka</p> <ul style="list-style-type: none"> • Victoria Gardens Settlement Project - \$3.2m. 84 families in the south of Sri Lanka who lost their homes in the disaster will each receive a house connected to water, sewerage and electricity. A community centre, recreation ground, children's playground, shops and associated infrastructure will also be constructed. • Ruhunu School - \$1.2m in partnership with Plan Australia. The new Ruhunu School will replace schools damaged by the tsunami; reduce the burden on smaller neighbouring schools, and increase the educational standard for the tsunami-affected district. • Eastern Technical Institute Strengthening Project - \$625,000 in partnership with Holmesglen Institute of TAFE. Young people from tsunami affected communities are receiving improved training in trades desperately needed to rebuild after the disaster. • Vic – Jaf Fishnet Manufacturing Factory Project - \$850,000 in partnership with Caritas Australia, France and Sri Lanka. A fishnet manufacturing operation is being established that will provide employment for people who lost their livelihoods in the tsunami. <p>The Maldives</p> <p>Maldives Capacity Building Project - In partnership with Australian Volunteers International, the Victorian Government is providing approximately \$460,000 to fund four volunteer placements in the Maldives to assist in improving the quality of education.</p>	<p>As the projects are still in the implementation stage, it is too early to provide information on the outcomes achieved.</p> <p>The 70th Report on 2006-2007 Budget Estimates states "The Committee considers it would be beneficial for Parliament and the wider Victorian community to receive a report on the Fund once it is fully expended." Accordingly, a report will be provided to the Committee once funds are fully expended, which is anticipated to be by June 2009.</p>
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CHAPTER 13: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF PRIMARY INDUSTRIES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 65 (Page 364)

<p>To prevent skill shortages adversely affecting the Department of Primary Industries' ability to deliver specific initiatives/projects in the resources sector, the department undertake regular market testing to assess:</p> <p>a) the pay and conditions offered by the Victorian Government compared with the private sector; and</p> <p>(b) whether any inducements need to be introduced to recruit permanent in-house technical staff.</p>	<p>Accept in Principle</p>	<p>The Department of Primary Industries regularly reviews salary levels and has considered the need for inducements for technical staff. In addition the Department of Primary Industries has reviewed how other State organisations have tackled this issue.</p> <p>Non salary actions have been taken to partly address this issue including supporting additional training for staff, offering flexible working arrangements where appropriate and providing further skills development across different functional areas. These initiatives have been well received and will continue to operate in accordance with Departmental policies.</p>	<p>The Department of Primary Industries will continue to review market conditions in relation to salary packages and consider the issue of inducements if circumstances change significantly.</p> <p>The introduction of new programs such as Gold Undercover, that are important for attracting investment to the State, also help to attract and retain technical staff. The Department of Primary Industries will continue to develop and promote similar innovative programs which in part highlight the benefits of working for the public sector.</p>
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• Recommendation 66 (Page 367)

<p>The Department of Primary Industries include in its annual report, an update on its research work associated with the discovery of a bacteria killing compound in wallaby milk.</p>	<p>Accept</p>	<p>The Department of Primary Industries has synthesised the compound and is currently looking for partners in biotechnology or pharmaceutical companies to collaborate in further testing. Intellectual property issues are being addressed (see Recommendation 67).</p> <p>Details of the work which were presented at the BIO2006 meeting in Chicago, USA in April 2006 were covered extensively by local and International press.</p> <p>The research is featured in the R&D Division's 2005/06 Achievement Report set to be published in January 2007.</p>	<p>The progress of the research will be highlighted in the Department of Primary Industries annual report.</p>
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CHAPTER 13: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF PRIMARY INDUSTRIES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 67 (Page 367)</p>			
<p>In the interests of Victorian taxpayers, the Department of Primary Industries ensure intellectual property rights of the Wallaby Genome Project are secured and formalised prior to finalisation.</p>	<p>Accept</p>	<p>Consistent with Department of Primary Industries' normal procedures, intellectual property in the Wallaby project has been assessed for commercial value. It may be possible to derive significant commercial value from the group of antimicrobial peptides discovered in wallaby milk. A provisional patent has been filed.</p>	<p>Further work on exemplifying (strengthening) the provisional patent will be required in order to lodge a full patent and to provide information required by any commercialising drug company.</p> <p>Advice has been sought from technical experts in the field of antimicrobials and drug candidate development. Discussions are proceeding with specialist laboratories. These laboratories have skills not available within the Department of Primary Industries and are able to undertake appropriate testing to support the full patent application.</p>
<p>• Recommendation 68 (Page 368)</p>			
<p>The Department of Primary Industries ensure its science projects that were delayed in 2005-06 are completed in a timely manner in 2006-07.</p>	<p>Accept</p>	<p>The agrifood, fisheries and natural resource management research and development project milestones within the Strategic and Applied Research output have increased from 84% completed as reported in the 2006-07 budget paper, to 97% completed by end November 2006.</p>	<p>The remaining 3% of project milestones are expected to be completed by the end of 2006-07.</p>
<p>• Recommendation 69 (Page 381)</p>			
<p>The Department of Innovation, Industry and Regional Development develop long term planning strategies to help manage growth and change in provincial regions where new jobs and economic growth will be generated in the future.</p>	<p>Accept in Principle</p>	<p>The Department of Innovation, Industry and Regional Development is monitoring the Government's Moving Forward statement to identify opportunities to assist growth of regions and to develop strategies in supporting sustained growth.</p>	<p>Actions are being developed in the context of implementation of Moving Forward initiatives.</p>

CHAPTER 13: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF PRIMARY INDUSTRIES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 70 (Page 382)**

<p>The Department of Primary Industries develop a program that calls for environmental inspectors to progressively assess the adequacy of rehabilitation bonds to ensure their relevance and currency in terms of the likely costs involved in restoring each site to as near as possible pre-mining conditions when mining ceases.</p>	<p>Accept in part</p>	<p>The Mineral Resources (Sustainable Development) Act requires that a Work Plan is submitted for any work proposed under a Mining licence or Exploration licence. Work Plans must include a rehabilitation plan. A similar requirement exists for the extractives sector. A rehabilitation bond must also be submitted under existing legislation for both sectors.</p> <p>All Work Plans and variations to work plans are reviewed and approved by the Department of Primary Industries including the rehabilitation work program and associated rehabilitation bond. In addition, the Department of Primary Industries has an established program in place to regularly review and assess the adequacy of rehabilitation bonds.</p> <p>The Department of Primary Industries is also implementing changes to the rehabilitation bond process following a recent review and stakeholder consultation process. A number of recommendations have highlighted that further improvements can be made to the existing assessment process. This includes, in some cases, the use of independent assessors or self assessment by operators based on strict guidelines developed by the Department of Primary Industries. Targeted audits will be applied to ensure the adequacy of bonds in place where independent assessors or self assessment is adopted.</p> <p>The Department of Primary Industries monitors the performance of the rehabilitation bond process very closely and will continue to do so into the future.</p>	<p>Complete the implementation of the recommendations from the Rehabilitation Bond review.</p> <p>Continue to monitor and improve the performance of the Rehabilitation Bond process.</p>
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CHAPTER 13: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF PRIMARY INDUSTRIES

PAEC Recommendation

Response

Action Taken to Date

Further Action Planned

• Recommendation 71 (Page 384)

The Victorian Government enter into discussions with the Commonwealth Government in relation to receiving a fair share of the resource rent collected from the oil and gas investment in offshore Victoria.

Reject

The arrangements with the Commonwealth were recently reviewed by the Department of Primary Industries to establish the nature of the agreements and the quantum of revenue generated from the resource rent regime. The latter cannot be determined definitively because it is commercial in confidence to the Australian Taxation Office. No further action has been taken.

The Department of Primary Industries has no plans in place to action this issue.

• Recommendation 72 (Page 387)

The Department of Primary Industries review the factors that prevented it achieving the level of revenue expected from the Minerals and Petroleum Royalty Audit Program introduced in 2005-06.

Accept in principle

The royalty audit program was established during 2005-06 and resulted in the collection of \$217,000 in additional royalty payments. The program has also highlighted the potential for further royalty amounts to be collected from the brown coal industry however negotiations are continuing in relation to these amounts. To date for 2006-07 an amount of \$455,000 in additional royalties for brown coal has been identified. In addition, following the promotion of this initiative to industry it appears the level of royalty payments has increased. The reason for this increase appears to be outside normal market factors suggesting operators are taking greater care in submitting their returns as they are aware that they are now subject to increased scrutiny.

The nature of the program, and of any audit, make it difficult to predict and review, however Department of Primary Industries staff have considered the factors that may have led to the difference to the forecast, and will be continuing to monitor the program in general. The actual amounts to be collected from this program are subject to the accuracy of the operator's royalty returns. Therefore it is difficult to forecast the level of revenue to be gained from this program. The timing of amounts collected will also be subject to challenge and negotiation with the respective operators.

The royalty audit program will focus on the following areas over the next 12 months:

- Targeted extractive sites
- Targeted mineral operations e.g. gypsum
- Review of current royalty returns as they are submitted

In addition, the negotiations and review of brown coal royalty returns will continue.

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DEPARTMENT OF PRIMARY INDUSTRIES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 73 (Page 387)

<p>The Department of Primary Industries examine the cost effectiveness of continuing with its Minerals and Petroleum Royalty Audit Program and whether modifications need to be made to its operations.</p>	<p>Accept in principle</p>	<p>It is appropriate for the Department of Primary Industries to review and monitor the cost effectiveness of the royalty audit program. Based on the results to date the benefits generated from the program justify the cost involved and support the continuation of the program.</p> <p>The royalty audits of brown coal for example have highlighted some weaknesses in the methodology for calculating the royalty amounts for coal. As a result the Department of Primary Industries is instigating action to tighten up the definitions contained within the regulations. These changes will result in an increased level of revenue to the State in future years.</p> <p>It is an appropriate role for Government to review royalty returns to ensure the level of revenue provided to the State is accurate. The cost of the program can be justified on this basis noting that the level of royalties generated by the earth resources sector is in the order of \$40 million each year whereas the cost of the program is less than \$100,000.</p>	<p>The Department of Primary Industries will continue to monitor and improve the royalty audit program to ensure it is operating effectively.</p>
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CHAPTER 14: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF SUSTAINABILITY AND ENVIRONMENT

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 74 (Page 394)

<p>The Department of Sustainability and Environment publish explanations for all budget variances in excess of 10 per cent in future budget papers, to increase transparency.</p>	<p align="center">Accept</p>	<p>Publication requirements for budget papers are set by the Department of Treasury and Finance and apply uniformly across all Departments. Accordingly, this recommendation for explanation for all budget variances in excess of 10 per cent in future budget papers is a policy issue for the Department of Treasury and Finance to consider.</p>	<p>The Department of Treasury and Finance has issued guidance to all departments in Budget and Financial Management Information Request No 41 in relation to the preparation of the 2007-08 Budget. The Department of Sustainability and Environment will comply with this guidance for the preparation of the 2007-08 budget papers including explanation of variances.</p>
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• Recommendation 75 (Page 398)

<p>The Department of Sustainability and Environment identify the projected skill shortages over the next two to six years in the functional areas of its operations where modelling work has not taken place, and examine the impact of these workforce challenges in the mid to long term.</p>	<p align="center">Accept</p>	<p>The Department of Sustainability and Environment has commenced work in conjunction with the respective functional groups.</p>	<p>Whilst work has recently commenced in one functional group (LSB), it has been delayed due to resources being directed to support the fire effort. It is expected that the work will be recommenced post the fire season.</p>
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• Recommendation 76 (Page 402)

<p>The Department of Sustainability and Environment commission an independent evaluation of the project management practices of the Seal Rocks Sea Life Centre.</p>	<p align="center">Reject</p>	<p>The project will be delivered within the two year timeframe proposed at the time budget was allocated in the 2005-06 budget. Expenditure was re-phased within those two years to ensure that works were fully designed and documented before construction commenced. The project is being monitored in accordance with established procedure and as such a separate review is unnecessary.</p>	<p>No further action planned.</p>
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CHAPTER 14: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF SUSTAINABILITY AND ENVIRONMENT

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 77 (Page 408)

<p>Three years post implementation, the Department of Sustainability and Environment commission an independent evaluation of the Growth Areas Authority to examine whether it is meeting its objectives and delivering the intended outcomes to its key stakeholders.</p>	<p>Accept in Principal.</p>	<p>The appropriate form and timing of more formal evaluation of the Authority's effectiveness will be considered after the Authority has been operating for a sufficient period of time and key elements of the new planning and infrastructure planning arrangements for the growth areas are in place.</p>	<p>The Authority's performance in meeting its objectives and delivering intended outcomes to its key stakeholders will be monitored on an ongoing basis.</p>
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• Recommendation 78 (Page 412)

<p>The Department of Sustainability and Environment ensure planning processes supporting the rollout of the Transit Cities Program recognise the need for an appropriate mix of services in each transit city, including the appropriate integration of transport services to effectively meet the long term objectives of the program.</p>	<p>Accept</p>	<p>The Department of Sustainability and Environment and other agencies are working in close partnership with local government to ensure that planning processes support Transit Cities Program objectives. Structure plans or master plans have been completed by local government with Department of Sustainability and Environment assistance for all Transit Cities with the exception of Box Hill and Epping where it is anticipated that plans should be completed by 2007-08.</p>	<p>The Department of Sustainability and Environment will continue to ensure that future planning processes recognise the need for an appropriate mix of services in each transit city, including the appropriate integration of transport services, housing types, community facilities, commercial uses and quality public places. The Department of Sustainability and Environment is working closely with the Department of Infrastructure to help implement the public transport components of the Transit Cities Program through initiatives under Meeting Our Transport Challenges and to ensure coordination with other key agencies such as VicRoads and VicUrban who are partners in delivery in a number of Transit Cities.</p>
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CHAPTER 14: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF SUSTAINABILITY AND ENVIRONMENT

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 79 (Page 415)**

<p>To assist in preparing future water conservation initiatives, the Department of Sustainability and Environment commission an immediate study, to assess the effectiveness of each of the Victorian Government's current demand management strategies for conserving water across the state.</p>	<p>Accept in Principle</p>	<p>The Department of Sustainability and Environment undertakes ongoing evaluation of its programs to enable the early detection of any issues associated with its implementation and effectiveness and makes changes as required.</p> <p>For example the uptake of the Water Smart Gardens and Homes rebate scheme is monitored fortnightly and each year a review of its effectiveness is undertaken. One of the outcomes of the 2005/2006 review was the removal of the high pressure cleaners from the program due to the high uptake and low water savings of the product (\$30 rebate and savings of about 1.5kL per year) in comparison to other products.</p> <p>Evaluation at the end of the program provides important information about the outcomes of the program and facilitates in the determination of any future investment.</p> <p>Many of the Statewide demand management programs are implemented following an initial pilot of a small scale program. In cases where the pilot program is assessed as not being cost effective, further implementation has not occurred.</p> <p>Successful evaluation of the effectiveness of the program is dependent on appropriate benchmarks being identified at the commencement of the program. Accordingly the mechanisms for the evaluation need to be included in the initial project plan. For example under the Schools Water Efficiency program the water use of each participating schools is recorded before the audit and retrofit is undertaken and then the water use is monitored on a quarterly basis for two – three years after the works have been completed.</p> <p>Current action involves ongoing evaluation of specific schemes.</p>	<p>Effectiveness of schemes will continue to be monitored.</p>
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CHAPTER 14: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF SUSTAINABILITY AND ENVIRONMENT

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 80 (Page 416)</p>			
<p>Melbourne Water, in conjunction with the Department of Sustainability and Environment, develop performance measures and targets for managing water quality in the Yarra River.</p>	<p>Accept</p>	<p>There are already State Environment Protection Policy targets for water quality for the Yarra River, based around meeting environmental and recreational objectives for both the River itself and Port Phillip Bay.</p> <p>There are a range of policy and strategy processes through which Yarra water quality targets and performance measures will be developed and reported including:</p> <ul style="list-style-type: none"> • The Yarra and Port Phillip Bay State Environment Protection Policies (SEPPs) • Port Phillip and Westernport Regional Catchment Strategy • Port Phillip and Westernport Regional River Health Strategy • Better Bays and Waterways - a water quality improvement plan for Port Phillip and Westernport • Melbourne Water - Waterways Water Quality Strategy • An annual progress report prepared by the Yarra Coordinating Committee on implementation of the Yarra River Action Plan. 	<p>Further performance measures and targets for priority locations will be developed by Melbourne Water through the Regional River Health Strategy and Better Bays and Waterways (a Water Quality Improvement Plan for the Port Phillip and Westernport Region).</p>
<p>• Recommendation 81 (Page 422)</p>			
<p>The Department of Sustainability and Environment annually report the progress of the development of the Wimmera-Mallee pipeline in terms of budget and established timelines.</p>	<p>Accept</p>	<p>The Department of Sustainability and Environment currently reports on the expenditure details for the project as outlined in the annual Budget, Public Sector Investment Program Budget Information Paper.</p>	<p>The Government has established a Project Council comprising high level government representatives led by an independent chair on behalf of the Department of Sustainability and Environment to oversee and monitor the management of the project.</p>
<p>• Recommendation 82 (Page 423)</p>			
<p>The Department of Sustainability and Environment finalise timelines and funding arrangements for the commencement and completion of the Bendigo Water Pipeline in a timely manner.</p>	<p>Accept</p>	<p>The Department of Sustainability and Environment is working with Coliban Water to ensure that all approvals are in place to enable completion of the Bendigo Water Pipeline by the end of 2007.</p>	<p>Coliban is seeking Federal funding to match the State funding for the project. As soon as the outcome of the application for the Federal funds is known, the Department of Sustainability and Environment will finalise funding arrangements with Coliban.</p>

CHAPTER 15: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF TREASURY AND FINANCE

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 83 (Page 432)</p>			
<p>The Department of Treasury and Finance at the end of the 2006-07 financial year determine the actual savings achieved from the consolidation of the Department of Human Services from five locations to a single site and the relocation of five departments to the Southern Cross site. The department should include this information in its next annual report.</p>	<p>Accept in part</p>	<p>The measurement of the savings achieved will only be identified after the relevant departments have been in occupation for a full twelve month period. Since savings will include such things as reduced travel time to meetings, the measurement is best undertaken by each of the departments.</p>	<p>The Department of Treasury and Finance will ask relevant departments to identify the savings achieved after a twelve month occupation of the new buildings. The consolidated information will be provided to the Committee once it has been collected.</p>
<p>• Recommendation 84 (Page 433)</p>			
<p>The Department of Treasury and Finance:</p> <p>(a) finalise as a matter of priority the development and implementation of the proposed fleet management system, together with appropriate indicators to determine efficiency and effectiveness; and</p> <p>(b) include in its next annual report information about the extent to which VicFleet is performing against established industry benchmarks.</p>	<p>Accept</p>	<p>a) The upgraded system went on-line in September 2006 as planned. The Department of Treasury and Finance (DTF) is currently developing reports to extract the relevant information for presentation to departments.</p> <p>b) DTF currently includes a performance measure in the 'Management of Motor Vehicle Leases' output (reported in DTF's Annual Report) that reports how well it performs against established industry benchmarks.</p> <p>This is a voluntary benchmarking program representing eight fleet management groups from across Australian government. DTF's performance has been comparable.</p>	<p>a) DTF and departments will utilise the information in regularly reviewing performance in relation to transaction service levels.</p> <p>b) DTF will continue to participate in the benchmarking program.</p>

CHAPTER 15: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF TREASURY AND FINANCE

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 85 (Page 437)**

<p>The Victorian Government Purchasing Board work with departments to improve the level of training undertaken by officers involved in the procurement of goods or services to ensure procurement activities comply with the board's supply policies and Ministerial Directions, in order to reinforce the compliance by departments with board policies, including the early reporting of breaches of supply policies.</p>	<p>Accept</p>	<p>PACCER (Procurement and Contracting Centre for Education and Research) currently delivers 5 competency based procurement and contracting training courses and 2 further information sessions.</p> <p>They are <i>Procurement through Quotation; Procurement Planning and Tender Development; Tender Process; Contract Management; Advanced Procurement Planning</i> (all competency based) and <i>Victorian Government Purchasing Policies; Winning Government Business</i> (non-competency based courses).</p> <p>In the last financial year, 651 participants attended a PACCER course</p> <p>Recently, the Board issued a policy strengthening the role of PACCER courses as the preferred training option where it matches identified departmental training needs.</p>	<p>The VGPB will closely monitor participation by departments in PACCER courses as a consequence of the strengthened training policy.</p> <p>In addition to statistics available through PACCER on participation rates, departments are to report on customised training programs developed and delivered annually through the Annual Supply Report, including the number of participants attending each course. DTF will report on new PACCER program developments annually through the VGPB Annual Report to Parliament.</p> <p>Departments are encouraged to maintain accurate records to ensure a capability profile is available to assist with ongoing organisational capability assessment. In addition, training attendance records are to be sourced from the PACCER training administrator and forwarded to departments every six months.</p> <p>PACCER is developing additional courses to reflect staff development requirements in strategic sourcing. The new courses are a Strategic Sourcing and Probity Practitioners Training Program.</p>
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CHAPTER 15: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT OF TREASURY AND FINANCE

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 86 (Page 437)**

<p>The Minister for Finance:</p> <p>(a) give further consideration to issuing a Standing Direction that emphasises the responsibilities of departments to detect and report breaches of government supply policy; and</p> <p>(b) review legislative requirements to determine whether provisions covering the reporting of breaches should be strengthened.</p>	<p>Reject</p>	<p>VGPB policies are binding on departmental officers, Victoria Police and a small number of administrative offices. Accountable officers are required to report breaches to the VGPB. Accordingly, it is unnecessary to issue a Standing Direction or to review legislative requirements to strengthen the reporting of breaches.</p>	<p>As part of its ongoing review of policies, the VGPB will review its policy: <i>'Protocol for reporting non compliance with VGPB policies'</i>.</p> <p>The PAC CER course Victorian Government Purchasing Policies now includes a discrete segment on detection and reporting of breaches of government supply policy.</p>
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CHAPTER 16: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT FOR VICTORIAN COMMUNITIES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 87 (Page 446)**

<p>The Department for Victorian Communities ensure more meaningful performance measures for the Youth Affairs output are presented in future budget papers.</p>	<p>Accept in principle.</p>	<p>The Department for Victorian Communities has an ongoing program to review performance measures moving towards outcomes. The program ensures that robust data collection systems and consistent business rules apply to all performance measures. Youth Affairs performance measures are reviewed as part of this program.</p>	<p>Youth Affairs performance measures will be reviewed as part of the ongoing program.</p>
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• **Recommendation 88 (Page 454)**

<p>Aboriginal Affairs Victoria within the Department for Victorian Communities:</p> <p>(a) establish an outcomes focus to measure and report Victoria's performance in addressing Indigenous disadvantage over time; and</p> <p>(b) involve representatives from Indigenous communities in periodic evaluations of Victorian Government programs in place to support Indigenous people.</p>	<p>(a) Accept</p>	<p>(a) On the 21 October 2006 the Government released <i>Improving the lives of Indigenous Victorians – Victorian Indigenous Affairs Framework (VI AF)</i>. This revised framework commits the Government to a sustained long-term whole of government effort to overcome Indigenous disadvantage. It contains 5, 10 and 15 year markers of progress towards achieving equitable outcomes for Indigenous Victorians.</p> <p>The VI AF comprises the following four elements which are designed to achieve the government's overarching goal to raise life expectancy and quality of life for Indigenous Victorians:</p> <ul style="list-style-type: none"> ▪ Principles of reform ▪ Strategic Policy framework (including six <i>Victorian strategic areas of action</i>) ▪ Performance framework ▪ Partnership coordination and management framework. <p>The VI AF Performance framework commits the Government to achieve improvements against a set of 22 Strategic Change Indicators which match the <i>Victorian strategic areas for action</i>, against which improvements can be made over a 5, 10 and 15 year period in keeping with the COAG generational plan timetable.</p> <p>The Framework links to the COAG Overcoming Indigenous Disadvantage Framework which will report every two years on Indigenous outcomes in all States and Territories</p>	<p>(a) Whole of government Integrated action plans will be developed for the six <i>Victorian strategic areas of action</i>, commencing with the first three.</p> <p>The six <i>Victorian strategic areas of action</i>, are:</p> <ol style="list-style-type: none"> 1. Improve maternal health and early childhood development 2. Improve literacy and numeracy 3. Improve year 12 completion or equivalent qualification and develop pathways to employment 4. Prevent family violence and improve justice outcomes 5. Improve economic development settle native titles claims and address land access issues; and 6. Build Indigenous capacity
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CHAPTER 16: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT FOR VICTORIAN COMMUNITIES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
	(b) Accept	<p>(b) The Government has a commitment to working in partnership with Indigenous Victorians to address disadvantage and improve well-being. This partnership approach includes the involvement of Indigenous Victorians in evaluations of programs as well as in the planning and development of new initiatives.</p> <p>Most recently this approach has been demonstrated through the evaluation of the Governance Training Program. To date 110 people from approximately 40 organisations have attended the 3-day workshops and 29 people have graduated with the Certificate IV in Business (Governance). All workshop and Certificate IV participants were involved in the evaluation of the program. Participants completed evaluation surveys and were involved in the Independent Review undertaken during and after the workshops. The review found that the program was well targeted to the needs of individuals and organisations and were culturally appropriate.</p>	<p>(b) The revised VIAF includes <i>Principles of Reform</i> which guide practice and implementation of the VIAF. They describe the spirit in which government departments will work together and with Indigenous communities to raise the life expectancy and quality of life of Indigenous Victorians.</p> <p>The Government will adapt the principles of a universal prevention approach for working in partnership with Indigenous communities developed for the national Ministerial Council for Aboriginal and Torres Strait Islander Affairs (MCTSIA) by Professor Fiona Stanley AO.</p> <p>The principles include a commitment to supporting all prevention responses through evaluation.</p>

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DEPARTMENT FOR VICTORIAN COMMUNITIES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 89 (Page 465)

<p>The Department for Victorian Communities:</p> <p>(a) build on the early potential of the Workforce Participation Partnerships Program, directing future actions towards achieving longer term employment placements for an increasing number of targeted jobseekers and consistently meeting the expectations of employers and industry; and</p> <p>(b) report regularly to Parliament on the program's effectiveness.</p>	<p>(a) Accept</p> <p>(b) Accept in Principle</p>	<p>(a) WPP is continuing to deliver and is maintaining its focus on achieving sustainable employment outcomes for targeted jobseekers in areas of skills shortages, thereby meeting employer and industry needs.</p> <p>As at 30 November 2006, 87 projects (including three transitional projects) have been funded under this program. More than 3,000 jobseekers across Victoria are expected to benefit from these projects as well as many employers. The development of the program is supported by an internal performance monitoring process and an external evaluation.</p> <p>(b) There are established reporting mechanisms for reporting on WPP's effectiveness, including reporting in Budget Papers, the Public Accounts and Estimates Committee process, and Department for Victorian Communities' Annual Report.</p>	<p>No further action planned.</p>
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DEPARTMENT FOR VICTORIAN COMMUNITIES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• **Recommendation 90 (Page 468)**

<p>The Department for Victorian Communities undertake an extensive re-evaluation of the adequacy and extent of local library services throughout the state and, in particular, the more remote regions, to evaluate whether the requirements of those most in need are being satisfied.</p>	<p>Accept in Principle</p>	<p>This recommendation has been referred to the Ministerial Advisory Council on Public Libraries for consideration. This is the appropriate body to oversee this recommendation as it has broad local government industry representation (Chair: Joanne Duncan MP, Member for Macedon). The points raised by the Committee relate closely to the Advisory Council's terms of Reference.</p> <p>There are already in place, or planned for the near future, several projects which will go a considerable way in addressing the Committee's recommendations. These are:</p> <ul style="list-style-type: none"> • the forthcoming Review of the Funding and Service Agreements for public library grants; • three forthcoming projects to be funded through the State Library of Victoria's <i>Statewide Public Library Development Projects</i> funds: <ul style="list-style-type: none"> ○ development of standards relevant to both metropolitan and rural libraries ○ audit of Victorian public library buildings and opening hours ○ investigation into the costs and benefits of a range of collaborative models of procurement of library collection materials • further rounds of Living Libraries Public Library Infrastructure Program grants A survey has been undertaken of projects already underway or planned which relate to the provision of public library services in Victoria. 	<p>The Advisory Council, will have oversight of these projects and will draw together the results of the various programs already identified as relevant to the Committee's recommendation. It will also identify any gaps in the research projects already planned, and make appropriate recommendations to the Minister for action.</p> <p>The Advisory Council is already planning to undertake a comprehensive review of its Vision of public libraries in Victoria in early 2007.</p> <p>This recommendation will inform this review.</p>
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DEPARTMENT FOR VICTORIAN COMMUNITIES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 91 (Page 472)</p>			
<p>The Department for Victorian Communities develop a framework for assessing the effectiveness of its suite of initiatives designed to maintain racial and religious tolerance in Victoria.</p>	<p>Accept in principle</p>	<p>Outcomes in respect to racial and religious tolerance in Victoria are affected by a range of factors, both national and global. The feasibility of assessing the effectiveness of its racial and religious tolerance initiatives will be assessed within this environment.</p>	<p>The effectiveness of initiatives will be evaluated having regard to broader national and global influences.</p>
<p>• Recommendation 92 (Page 472)</p>			
<p>The Department for Victorian Communities develop and report performance measures of a qualitative nature to assess whether budget outlays directed at promoting Victoria's racial and religious tolerance and multicultural harmony have been effective.</p>	<p>Accept in principle</p>	<p>The Department for Victorian Communities has an ongoing program to review performance measures moving towards outcomes. The program ensures that robust data collection systems and consistent business rules apply to all performance measures. Multicultural Affairs performance measures are reviewed as part of this program.</p>	<p>Qualitative performance measures will be considered in relation to racial and religious tolerance and multicultural harmony.</p>
<p>• Recommendation 93 (Page 476)</p>			
<p>The Department for Victorian Communities announce:</p> <p>(a) the final costs of the Rectangular Sports Stadium Project;</p> <p>(b) any revisions to existing funding arrangements; and</p> <p>(c) changes to construction/completion timelines.</p>	<p>Accept in principle</p>	<p>Although the Stadium budget is with the Department for Victorian Communities, the project is being coordinated by Major Projects Victoria (MPV) in the Department of Infrastructure.</p> <p>MPV have advised that all issues relating to future timing and funding of the stadium will be finalised following the selection of the preferred tenderer. This is expected to occur early in 2007.</p>	<p>The tender process for the project to be finalised in early 2007.</p>

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DEPARTMENT FOR VICTORIAN COMMUNITIES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
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• Recommendation 94 (Page 479)

<p>In future announcements on the national ice sports centre, the Department for Victorian Communities outline:</p> <p>(a) construction timelines;</p> <p>(b) the allocation of risks; and</p> <p>(c) the state's financial commitment to the project.</p>	<p>Accept in Principle</p>	<p>The State Government confirmed its \$10 million commitment to a National Ice Sports Centre (the Centre) in the 2004-05 budget.</p> <p>The bulk of this \$10 million will go towards supplementing the cost of providing a two rink National Ice Sports Centre in partnership with a private sector Consortium. The total cost of the Centre is estimated at between \$30 million to \$40 million.</p> <p>The Government has previously announced that a preferred consortium has won the rights to develop the new Ice Sports Centre.</p> <p>The design concept was released in October 2006.</p>	<p>The Consortium behind the National Ice Sports Centre is required to secure investment financing to enable the development of the Centre to commence.</p> <p>Construction timing will be dependent upon the Consortium securing the appropriate finance.</p> <p>A development agreement will be finalised with the preferred developer, which will resolve allocation of risks.</p>
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• Recommendation 95 (Page 482)

<p>The Department for Victorian Communities publicly release the revised economic benefits study of the 12th FINA World Championships.</p>	<p>Accept in Principle</p>	<p>The 2007 FINA World Swimming Championships will be held in Melbourne from 17 March – 1 April 2007 and involve:</p> <ul style="list-style-type: none"> - 2,000 elite competitors from as many as 175 countries; - competition in swimming, open water swimming, water polo, synchronised swimming, diving and synchronised diving; - more than 1,000 international media bringing the host city to the world; - 12,000 interstate and international tourists; and - 1 billion television spectators worldwide. <p>The initial economic benefits study of the economic impact of the Championships revealed that the Championships will deliver economic benefits to Victoria of over \$80 million.</p>	<p>While the Government continues to monitor the planning for the Championships to ensure maximum benefit is achieved for Victoria, no further formal study will be commissioned until the completion of the event. A further economic benefits study will then be conducted to assess the full economic benefit that Victoria will enjoy from hosting this significant international event. That study will be publicly released in accordance with usual Government practice.</p>
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CHAPTER 16: GOVERNMENT'S RESPONSE TO THE PAEC REPORT NO. 70 – 2006-2007 BUDGET OUTCOMES

DEPARTMENT FOR VICTORIAN COMMUNITIES

PAEC Recommendation	Response	Action Taken to Date	Further Action Planned
<p>• Recommendation 96 (Page 488)</p>			
<p>The Department for Victorian Communities increase the amount of publicly available information relating to the Community Support Fund, by including in its annual report information on the purpose of grants from the fund, and how they relate to section 10.3.3 of the Gambling Regulation Act 2003.</p>	<p>Accept in Principle</p>	<p>All funding approvals made from the CSF are listed as an appendix in the annual report of the Department for Victorian Communities.</p> <p>The information provided includes recipient name, project title and amount received.</p> <p>All grants are in accordance with section 10.3.3 of the Gambling Regulation Act 2003.</p>	<p>Grant project descriptions will be reviewed for future annual reports.</p>
<p>• Recommendation 97 (Page 488)</p>			
<p>The Department for Victorian Communities publish evaluation criteria for the grants provided from the Community Support Fund.</p>	<p>Accept</p>	<p>The Victorian Community Support Grants Guidelines and Application information are continually strengthened and were last revised in May 2006. The Guidelines contain detailed information on application assessment and the assessment process undertaken/used by the Department.</p>	<p>Published guidelines will be kept up to date on the grants' website.</p>
<p>• Recommendation 98 (Page 497)</p>			
<p>The Victorian Government further strengthen the framework for whole of government decision making and reporting to Parliament on youth issues in conjunction with the implementation of its <i>New Future Directions</i> statement for young people.</p>	<p>Accept.</p>	<p>The Government has endorsed five outcomes for young people to drive government decision making in relation to youth issues in its <i>Future Directions</i> policy statement.</p>	<p>The Government will monitor the implementation of <i>Future Directions</i> policy and report on progress in achieving outcomes as part of its annual whole of government reporting and co-ordination processes.</p>

