

**Submission
No 5**

**EXAMINATION OF THE AUDITOR-GENERAL'S PERFORMANCE
AUDIT REPORTS OCTOBER 2016 – MAY 2017**

Organisation: Department of Industry

Date Received: 23 January 2018



Department
of Industry

Office of the Secretary

SECO17/314

Bruce Notley-Smith MP
Chair, Public Affairs Committee
Parliament of New South Wales
Macquarie Street
Sydney NSW 2000

Dear Mr Notley-Smith

Auditor-General's performance audit report - Implementation of the NSW Government's program evaluation initiative

Thank you for your request of 2 November 2017, made on behalf of the Public Accounts Committee, for the Department's response to the Auditor-General's report *Implementation of the NSW Government's program evaluation initiative*.

The Department welcomes the Auditor-General's findings that it demonstrated the good practice elements for preparing cluster evaluation schedules and had processes which gave assurance that the right programs were listed on its cluster evaluation schedule.

The Department's response to recommendation 1 is provided in the attachment to this letter. As recommendations 2 and 3 relate specifically to NSW Treasury and the NSW Department of Premier and Cabinet, the Department of Industry has not commented on these recommendations.

Yours sincerely

Paul Newson
A/Secretary

23.1.18

Attachment: Completed template reporting Department of Industry response to the audit

RECOMMENDATION	ACCEPTED OR REJECTED	ACTIONS TO BE TAKEN	DUE DATE	STATUS (completed, on track, delayed) and COMMENT	RESPONSIBILITY (Section of agency responsible for implementation)
<p>1</p> <p>By March 2017: the departments should ensure they implement all elements of the good practice model in Exhibit 3 for preparing Cluster evaluation schedules, these being:</p> <ul style="list-style-type: none"> • having an evaluation centre of excellence • ensuring that agency and cluster strategic planning processes align programs and program evaluations to NSW Government priorities • developing a master list of all current cluster agency programs with their tier ranking and linkage to NSW Government priorities • objectively prioritising programs across the cluster for evaluation and inclusion in evaluation schedules, taking account of the department's capacity and capability to conduct evaluations. 	Accepted	<p>The Department of Industry will continue its existing activities that coordinate and support evaluations across the Cluster, noting that these activities were assessed by the Auditor-General as providing an evaluation centre of excellence for the Industry Cluster.</p> <p>The Department of Industry will continue its existing activities that ensure that agency and cluster strategic planning processes align programs and program evaluations to NSW Government priorities, noting that these activities undertaken within the Industry Cluster were assessed by the Auditor-General as being an element of good practice.</p> <p>The Department of Industry will continue to maintain a master list of Cluster programs, noting that the Industry Cluster master list was assessed by the Auditor-General as being an element of good practice.</p> <p>The Department of Industry will continue objectively prioritising programs across the cluster for evaluation and inclusion in evaluation schedules, taking account of the Department's capacity and capability to conduct evaluations, noting the prioritisation undertaken within the Industry Cluster was assessed by the Auditor-General as being an element of good practice.</p>	n/a	Completed	Office of the Secretary