

**Submission
No 6**

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

Organisation: Department of Planning and Environment

Date Received: 1 February 2018



Your ref: MDPE17/560

Mr Bruce Notley-Smith MP
Chair, Legislative Assembly
Public Accounts 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 letter dated 2 November 2017 on behalf of the Public Accounts Committee requesting the Department to provide the Committee with a submission outlining our response to the Auditor-General's report *Implementation of the NSW Government's program evaluation initiative*, tabled on 3 November 2016.

I have enclosed a document setting out the Department's current and planned actions in response to the recommendations. The document is presented in accordance with the template provided in your letter.

You also request any feedback from the Department on the effectiveness of the audit process, the costs of the audit and any suggestions for improvement. Our response is:

- the audit process has been effective in highlighting the areas in which program evaluation processes, governance and program delivery can be improved; and
- an improvement in the audit process would be to more thoroughly showcase, in the Audit Office report, examples of evaluation best practice in other NSW clusters or jurisdictions.

Should you have any further questions in relation to this matter, please contact, Ms Christine Tumney, Director, Enterprise Program Management Office, at the Department on 4904 2727.

Yours sincerely

Carolyn McNally
Secretary

Encl: DPE response to follow-up of performance audit report

1-2-18

IMPLEMENTATION OF PERFORMANCE AUDIT RECOMMENDATIONS

Department of Planning and Environment Cluster

Performance audit: *Implementation of the NSW Government's program evaluation initiative*

RECOMMENDATION: Implement all elements of the good practice model for preparing cluster evaluation schedules, as follows:	ACCEPTED OR REJECTED	ACTIONS (TO BE) TAKEN	DUE DATE		STATUS (completed, on track, delayed) and COMMENT	RESPONSIBILITY (Section of agency responsible for implementation)
1 Develop an evaluation centre of excellence	Accepted	a. Establish the Centre of Excellence for Program Evaluation (within the Enterprise Program Management Office, EPMO)	August 2017	Completed	EPMO	
		b. Develop program evaluation strategy and action plan.	November 2017	Completed	EPMO	
		c. Develop cluster-wide Evaluation Community of Practice.	February 2018	Completed	EPMO	
		d. Participate in and contribute to the NSW Treasury's Evaluation Strategy Working Group to help develop and promote best practice in program evaluation across all state government agencies.	Early 2018, date TBC	Ongoing	EPMO	
		e. Align the programs to be evaluated with NSW Government priorities.	December 2017	Completed	EPMO	
		f. Align program evaluations under corporate and business planning processes with NSW Government priorities.	February 2018	Completed	EPMO	
		g. Oversight and monitoring of program evaluations through a Cluster-wide Evaluation Community of Practice and Evaluation Governance Committee	March 2018	On track	EPMO / Evaluation Governance Committee	
		h. Draft a master program list template for Evaluation Governance Committee approval.	March 2018	On track	EPMO	
3 Develop a master list of all current cluster agency	Accepted					

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			STATUS (completed, on track, delayed) and COMMENT		
4 Objectively prioritise programs across the cluster for evaluation and inclusion in evaluation schedules	Accepted	<p>i. Develop user-friendly evaluation tools and resources that support tier ranking of evaluations and clear linkages between programs and NSW Government priorities.</p> <p>j. Develop and promote a cluster-wide evaluation policy that includes the requirement to peer review / objectively prioritise agency programs for evaluation.</p> <p>k. Terms of reference of Evaluation Governance Committee to include requirement to undertake objective assessment of program prioritisation / rankings and program inclusion in the 2018-19 AES.</p>	April 2018	On track	EPMO
			March 2018	On track	EPMO / Evaluation Governance Committee/ WG
			April 2018	On track	EPMO