

# Auditor-General of Queensland

**Report to Parliament No. 8 for 2008**  
**Follow-up of Selected Audits Tabled in 2006**  
**A Performance Management Systems Audit**



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A Performance Management Systems Audit**



Queensland

Prepared under Part 6

Division 3 of the

*Financial Administration and Audit Act 1977*

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# Auditor-General of Queensland

November 2008

The Honourable M F Reynolds MP  
Speaker of the Legislative Assembly  
Parliament House  
BRISBANE QLD 4000

Dear Mr Speaker

This report is prepared under Part 6 Division 3 of the *Financial Administration and Audit Act 1977* (FA&A Act), and is on the results of the follow-up audit of recommendations made in my Report No. 5 for 2006 regarding capital works projects and Report No. 8 for 2006 regarding departmental fees and charges. It is the eighth in the series of Auditor-General's Reports to Parliament for 2008.

In accordance with s.105 of the FA&A Act, would you please arrange for the report to be tabled in the Legislative Assembly.

Yours sincerely



Glenn Poole  
Auditor-General



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# Section 1

## Executive summary

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### 1.1 Audit overview

The objective of this follow-up audit was to determine the progress made by audited departments in implementing recommendations made in my Report No. 5 for 2006 Results of Performance Management Systems Audits (PMSA) of Capital Works and Report No. 8 for 2006 Results of a PMSA of the Management of Departmental Fees and Charges and accepted by Accountable Officers. Four departments were involved in the PMSA of capital works: Corrective Services; Education Training and the Arts (Education); Health; and Housing. Five departments were involved in the PMSA of fees and charges: Corrective Services; Education; Emergency Services (DES); Primary Industries and Fisheries (DPIF); and Transport. A summary of these two reports to Parliament is provided in Section 3 of this report.

### 1.2 Audit opinion

Overall, departments have either implemented or made substantial progress towards implementing the recommendations made in Report No. 5 for 2006 and Report No. 8 for 2006. I was pleased to find that all departments have accepted the recommendations and have seen the value in improving their systems.

With regard to the capital works audit, all departments have implemented the recommendations, resulting in improvements to capital works management systems. There is now increased adherence to the Capital Works Management Framework, developed by Government to ensure cost effective management of capital works activities.

I also found evidence of strengthened systems within departments to ensure fees and charges levied for the provision of goods and services comply with legislative requirements. All five departments now have regard to the full cost of supplying goods and services when setting and reviewing their fees and charges. However, DPIF has not updated its fees and charges policy as recommended in 2006. All other recommendations have been implemented.

### 1.3 Key findings

Six of the seven departments reviewed have implemented all recommendations addressed to them in the 2006 audits.

DPIF is yet to action one of my recommendations regarding the department's fees and charges policy, however substantial progress has been made and the department has confirmed its commitment to full implementation. Since 2006, the department has undertaken a comprehensive review of all its fees and charges and related methodologies and procedures, and is using the results to improve consistency across the department. Detailed findings concerning DPIF are presented in Sections 4.1.3 and 4.3.2.

Although departments have either implemented or made substantial progress towards implementing the recommendations, in four of the seven departments audited, I found a lack of formal process to follow up PMSA recommendations made to Parliament. Given the value of independent review and the commitment made by Accountable Officers to implement PMSA recommendations, it is essential that departments have in place an effective formal method for monitoring implementation.

Another important aspect of good governance is quality assurance systems, such as policies and procedures, internal review and reporting frameworks. Such systems are an important tool used by management to ensure that legislation and Government guidelines are complied with. Where a PMSA or any independent assessment of departmental processes identifies adverse findings, which were unknown to management, departments should consider reviewing the adequacy of their broader quality assurance systems.

The audit findings are detailed in Section 4 of this report.





# Section 2

## Audit focus

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### 2.1 Audit objective

The objective of this follow-up audit was to determine the progress made by audited departments in implementing recommendations made in Auditor-General's Report No. 5 for 2006 and Report No. 8 for 2006.

### 2.2 Reasons for the audit

The 2006 audits of capital works and fees and charges identified the need for departments to improve their systems to ensure adherence to legislation and Government guidance material.

The findings were not disputed by Accountable Officers of the departments audited and commitment was given to implementing the recommendations.

As part of QAO's role in ensuring accountability, it is timely to review the progress made by departments in implementing the recommendations from the 2006 audits.

### 2.3 Audit scope

#### 2.3.1 Entities subject to audit

This audit assessed the progress made by all departments audited as part of the PMSA of capital works and fees and charges in 2006. The departments audited are listed below.

Report No. 5 for 2006 — capital works:

- Department of Corrective Services
- Department of Education, Training and the Arts
- Department of Health
- Department of Housing.

Report No. 8 for 2006 — fees and charges:

- Department of Corrective Services
- Department of Education, Training and the Arts
- Department of Emergency Services
- Department of Primary Industries and Fisheries
- Department of Transport.

Implementation of general recommendations addressed to all public sector entities made in both reports, were not subject to this follow-up review.

#### 2.3.2 Time period covered by the audit

The audit assessed progress made since October 2006 for Report No. 5 for 2006 and November 2006 for Report No. 8 for 2006. Audit field work was conducted in August and September 2008.

### 2.3.3 Audit procedures

This audit focused on the extent to which departments have implemented the recommendations made in the two reports to Parliament. The audit also identified and analysed:

- challenges to implementation, including reasons for delays
- the level of commitment to implementation
- whether implementation has effectively addressed the issues or weaknesses identified in the 2006 audits
- whether further action is required by departments.

## 2.4 PMSA approach

The legislative basis for this audit is s.80 of the *Financial Administration and Audit Act 1977* (FA&A Act). A PMSA is an independent examination of whether an entity or part of an entity's activities have performance management systems in place to enable management to assess whether its objectives are being achieved economically, efficiently and effectively. While a PMSA will not review or comment on government policy, it may extend to include a focus on the entity's performance measures and whether in the Auditor-General's opinion, the performance measures are relevant, purposeful and fairly represent the entity's performance.

The intent of a PMSA is to provide independent assurance to the Parliament, and to act as a catalyst for adding value to the quality of public administration by assisting entities in the discharge of their governance obligations. A PMSA has a focus on ascertaining whether the systems and controls used by management to monitor and measure performance, assist the entity in meeting its stewardship responsibilities.

The statutory office of the Auditor-General, as the independent auditor for the Parliament, is established pursuant to the FA&A Act. The Auditor-General is independent and is not subject to direction by any person in the way audits are conducted. Although the Auditor-General takes note of the entity's perspective, the scope of a public sector audit is at the sole discretion of the Auditor-General as the FA&A Act prescribes that the Auditor-General may conduct an audit in the way the Auditor-General considers appropriate.

# Section 3

## Background

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### 3.1 Report No. 5 for 2006 — capital works

#### 3.1.1 Summary of 2006 audit opinion and recommendations

The objective of the PMSA on capital works infrastructure was to determine whether budget sector agencies had suitable frameworks and systems in place to support the effective management of their capital works buildings program. In particular, the audit assessed the level of adherence to the Capital Works Management Framework (Framework) established by Government to assure cost effective management of capital works activities.

The report brought together findings from the audits of a sample of four departments: Corrective Services, Education Training and the Arts (Education), Health and Housing. The audit focused on the project planning, project delivery, project reviews and project governance of capital works management and reviewed a sample of 24 building projects ranging in cost from \$0.36m to \$142.5m.

#### 2006 audit opinion

In 2006, the four departments had in place a range of systems at varying levels of maturity to manage their capital works program.

The systems at Education and Housing demonstrated substantial adherence to the key principles and processes required by the Framework.

Corrective Services generally complied with the requirements of the Framework but required improvements to its governance arrangements. These improvements would enable the department to more effectively manage the risks associated with future capital works.

Health did not comply with the requirements of the Framework and required significant improvements to its overall capital works planning, delivery and governance systems. At the time of the audit the department was implementing a new planning and management framework. It was anticipated that the new approach would be fully implemented in early 2007 and significantly strengthen the department's capital works management systems.

#### 2006 recommendations

In 2006, specific recommendations were addressed to each department audited and are outlined in Section 5.1.1 of this report. Recommendations were made in the following areas:

- project planning (aligning capital works to community needs, options and project analysis, and cost estimates)
- project delivery (agreements with service providers)
- project reviews (performance reviews and post project evaluations)
- project governance (risk management, quality assurance and records management).

#### 3.1.2 What has happened since 2006?

##### Public Accounts Committee inquiry

In April 2007, the Public Accounts Committee (PAC) reviewed the results of Report No. 5 for 2006. The PAC invited Health and Corrective Services to attend a public hearing in December 2006, to discuss the report. The PAC supported the Auditor-General's recommendations and stated in its report:

*"The committee considers that all departments need to regularly review their capital works programs to ensure that they are adhering to the requirements of the Framework".<sup>1</sup>*

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<sup>1</sup> Public Accounts Committee, Legislative Assembly of Queensland. Report No. 73, April 2007 Review of Auditor-General Report 5 for 2006 – Results of Performance Management Systems Audits of Capital Works at Departments of Corrective Services, Education, Health and Housing. 2007. p11.

The PAC also found that the two departments benefited from the audit process. The report stated:

*“The committee was interested to learn that Queensland Health was unaware that their documentation was not up to standard prior to this audit being undertaken by QAO.*

*... The committee also found that Corrective Services also benefited from the process of the PMS audit. They found that they had a need to better document the nature of the relationship with Public Works.”<sup>2</sup>*

The comments of the PAC were taken into account in this follow-up audit.

## **Revised capital works management framework**

The Framework issued by the Department of Public Works (Public Works) is the Queensland Government’s key policy instrument for managing risks in the planning and delivery of government building projects.

The Framework (1st edition) and supporting guidelines formed the basis of the 2006 audit criteria used to assess departmental systems in place to manage their capital works program.

The Framework has since been revised and a 2nd edition was released in June 2008. The supporting guidelines, documents and tools were also revised. The latest edition provides additional guidance and clarity and does not affect the recommendations made by the Auditor-General in 2006.

Also in June 2008 Public Works published a better practice guide for the performance assessment of Queensland Government buildings titled Building Asset Performance Framework, which provides additional guidance to departments.

## **3.2 Report No. 8 for 2006 — fees and charges**

### **3.2.1 Summary of 2006 audit opinion and recommendations**

The objective of this PMSA was to determine whether departments had appropriate systems in place to ensure fees and charges levied for the provision of goods and services comply with the requirements of the FA&A Act and the *Financial Management Standard 1997* (FMS). This included determining whether departments had appropriate systems in place to identify the costs of providing the goods and services and the extent of cost recovery achieved.

The audit focused on fees and charges levied for goods and services supplied to the community, in particular, fee for service activities, transport and traffic fees and other sales of goods and services which at the time of the audit were estimated at \$1.8b in 2006-07.

Departments audited included: Corrective Services, Education, Emergency Services (DES), Primary Industries and Fisheries (DPIF) and Transport.

### **2006 audit opinion**

In 2006, four of the five departments audited did not meet this legislative requirement for some fees and charges they levy.

Corrective Services was the only department able to demonstrate that all fees and charges audited were regularly reviewed having regard to cost. At the remaining departments, approximately half the fees audited were generally increased by the Consumer Price Index (CPI) without the department having directly identified the cost of supplying the goods or services. For these fees and charges, the cost of supply may have been identified when the fee was first introduced or subsequently as part of a specific examination. However, as the cost of supplying the goods or services had not been regularly reviewed, the original relationship between the cost and the fee charged may have changed over time.

<sup>2</sup> Public Accounts Committee, Legislative Assembly of Queensland. Report No. 73, April 2007 Review of Auditor-General Report 5 for 2006 – Results of Performance Management Systems Audits of Capital Works at Departments of Corrective Services, Education, Health and Housing. 2007. p12.

## 2006 recommendations

In 2006, specific recommendations were addressed to each department audited and are outlined in Section 5.1.2 of this report. Recommendations were made with regard to:

- establishing a coordinated process and system to ensure all fees and charges levied for goods and services are regularly reviewed having regard to the cost of supplying these goods and services and the other principles contained in the FA&A Act and the FMS
- ensuring a transparent process, which clearly documents the decision for setting fees and charges, their relationship to the cost of supplying the goods and services and the reasons for setting any fees and charges at a level below full cost recovery
- developing policies and procedures for fees and charges to:
  - provide sufficient guidance on how to implement the legislative requirements
  - promote sound financial management practice
  - align with the department's service delivery objectives
  - facilitate a coordinated approach to managing fees and charges.

### 3.2.2 What has happened since 2006?

#### Issue of Treasury Department guidance on fees and charges

On 20 December 2006 the Under Treasurer wrote to Directors-General supporting the findings and recommendations made in the Auditor-General's report to Parliament No. 8 for 2006 and provided additional clarity regarding the establishment and review of departmental fees and charges.

Legislation requires the Accountable Officer to regularly examine fees and charges for goods and services to determine whether they are adequate, having regard to the cost of supplying the goods and services and other relevant matters. Treasury recommended:

*“... agencies consider a ‘fit-for-purpose’ approach to developing methodologies for the costing of goods and services. This approach allows a variety of tools and techniques to be used according to the significance of the issues involved, while allowing agencies to meet their legislative obligations.*

*... In all cases, the decision-making approach that establishes the relationship between the fee and charge and the cost of the associated good or service should be clearly documented.”<sup>3</sup>*

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<sup>3</sup> Letter from the Under Treasurer to Directors-General on 20 December 2006 regarding the Auditor-Generals Report No. 8 for 2006 Results of Performance Management Systems Audit of the Management of Departmental Fees and Charges.



# Section 4

## Findings

### 4.1 General findings

#### 4.1.1 Lack of formal follow-up processes

Although departments have either implemented or made substantial progress towards implementing the 2006 recommendations, the audit identified a lack of formal process in four of the seven departments to follow up PMSA recommendations made to Parliament.

While audit committees regularly monitor the implementation of internal audit and QAO's financial audit recommendations, in four of the seven departments reviewed, there was limited or no consideration given to PMSA recommendations at audit committee meetings, and no other formal follow-up or monitoring systems were in place.

Given the value of independent review and the commitment made by Accountable Officers to implement PMSA recommendations, it is essential that departments have in place an effective method of monitoring implementation. Further, the Accountable Officer needs to be assured that the action taken effectively and efficiently addresses recommendations and findings from PMSA.

#### 4.1.2 Review of quality assurance systems

Quality assurance systems, such as policies and procedures, internal review and reporting frameworks, are important governance tools used by management to ensure that legislation and Government guidelines are complied with. Where independent reviews highlight instances of non-compliance, or identify improvement opportunities or adverse findings, management should seek to understand if there is a breakdown in their quality assurance systems, and if so whether the findings have implications in areas of the department not subject to the audit. Departments should continually test their systems in light of findings from independent audits.

The better practice case study below, provides an example of how one department has taken a PMSA recommendation based on a small audit sample and undertaken their own comprehensive review of related practices across all areas of the department.

#### 4.1.3 Better practice case study

This case study illustrates how the Department of Primary Industries and Fisheries (DPIF) has taken a PMSA recommendation based on a small audit sample of fees and charges and has sought to understand departmental practices regarding all revenue attracting activities.

In 2006 the Auditor-General recommended that a coordinated process and system be developed to ensure that all fees and charges levied for goods and services have regard to the full cost of providing these goods and services. It was positive to find that the action taken by DPIF towards implementing this recommendation went beyond what was stated in Report No. 8 for 2006.

Before establishing a co-ordinated process, the department undertook substantial background research and internal review across all areas of the department to gain a better understanding of what was occurring and determine the most appropriate methodology and framework for setting fees and charges. During 2007 a project team was established to comprehensively review and cost the approximately 1,500 fees and charges levied by the department. To do this the team developed a full costing model, consistent with the Treasury Department's *Principles for Fees and Charges*.

All of the department's fees and charges have now been analysed using the model to determine whether each is recovering the full costs or whether the service is being subsidised. The team is currently in the process of identifying the reason subsidies exist and developing strategies to either close the cost/price gap or formalise the justification for subsidies. In the interest of rationality and openness, public benefit principles are being used to assess and justify subsidising services provided by the department.

A costing tool and database has been created so business units can effectively evaluate and document new and existing fees and charges using the costing methodology adopted by the department.

A strategy for the ongoing review of fees and charges will be established when the initial assessment is completed.



## 4.2 Report No. 5 for 2006 — capital works

### 4.2.1 Status of implementation

All departments have implemented all applicable recommendations made in Report No. 5 for 2006. Implementation has adequately mitigated the initial concerns and issues raised in the 2006 audit.

Table 4.1 summarises the status of implementation by department for each of the project phases where recommendations were made. For the actual recommendations refer to Section 5.1.1.

**Table 4.1 — Status of implementation**

Department	Recommendation	Status
Corrective Services	1. Project delivery 2. Project reviews 3. Project governance	1. Implemented 2. Implemented 3. Implemented
Education, Training and the Arts (Education)	1. Project reviews 2. Project governance	1. Implemented 2. Implemented
Health	1. Project planning 2. Project delivery 3. Project reviews 4. Project governance	1. Implemented 2. Implemented 3. Implemented 4. Implemented
Housing	1. Project planning 2. Project governance	1. Implemented 2. Implemented

## 4.3 Report No. 8 for 2006 — fees and charges

### 4.3.1 Status of implementation

All departments with the exception of DPIF, have implemented all applicable recommendations made in Report No. 8 for 2006. Implementation has adequately mitigated the initial concerns and issues raised in the 2006 audit.

Table 4.2 summarises the status of implementation by department for each recommendation made. For the actual recommendations refer to Section 5.1.2.

**Table 4.2 — Status of implementation**

Department	Recommendation	Status
Corrective Services	1. Policy update 2. Appropriate legislative authority	1. Implemented 2. Implemented
Education	1. Coordinated process 2. Policy update	1. Implemented 2. Implemented
Emergency Services (DES)	1. Coordinated process 2. Policy update	1. Implemented 2. Implemented
Primary Industries and Fisheries (DPIF)	1. Coordinated process 2. Policy update	1. Implemented 2. <b>Not implemented</b>
Transport	1. Coordinated process 2. Policy update 3. Policy approved 4. Analysis system	1. Implemented 2. Implemented 3. Implemented 4. Implemented

### 4.3.2 Progress made by Department of Primary Industries and Fisheries

The 2006 audit found the department had in place systems for the review of fees and charges. However, certain fees and charges levied did not have regard to the cost of supplying the goods and services as required by the FA&A Act. Audit therefore concluded the systems in place at the department do not ensure that all charges levied for the delivery of goods and services comply with legislative requirements.

It was recommended that the policy about fees and charges collected by the department be revised to provide clarity and consistency in all aspects of fees and charges review, including reference to the Treasury Department's *Principles for Fees and Charges* and other key legislation and guidelines.

The Director-General endorsed the findings and recommendations and advised that the department's policy relating to fees and charges will be reviewed consistent with the audit recommendations. The department has since demonstrated commitment to implementation and some progress has been made.

A coordinated departmental approach to setting fees and charges in accordance with the Treasury Department's *Principles for Fees and Charges* and other key legislation and guidelines has been established, as noted in the case study Section 4.1.3. However the department's policy has not been updated.

The fees and charges review (outlined in Section 4.1.3), supported the Auditor-General's recommendation and identified the need to revise the department's framework incorporating policies, standards and procedures, to provide further guidance and clarity. The framework will be released once the review process has been finalised. The proposed timeframe for completion of the review is February 2009. Until then an interim policy will be adopted. The methodology to set fees and charges has been drafted and is currently being applied.

This is considered an acceptable approach given the comprehensive review process and the considerable preliminary work that has been completed.

#### **Response from Department of Primary Industries and Fisheries**

On 21 October 2008, the Acting Director-General provided the following response:

*"... I can confirm that the findings reflect the progress to date, with Recommendation 1 fully implemented, and note that the findings in your report support the approach my department has adopted to implement Recommendation 2.*

*It is pleasing to note that my department's approach in addressing the recommendations has been recognised and documented in the report's better practice case study, where it is noted that the action taken has gone beyond what was recommended in the initial report. Whilst taking this approach has resulted in a lengthier implementation, I believe that the long term benefits will justify the approach.*

*My department is committed to fully implementing the recommendations contained in the PMSA report."*



# Section 5

## Appendices

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### 5.1 2006 recommendations

#### 5.1.1 Report No. 5 for 2006 — capital works

##### Department of Corrective Services

###### *Recommendations regarding project delivery*

It was recommended that the department:

- have in place service focused agreements for the overall role performed by service providers of the capital works management function. These would detail the scope of services to be provided, roles and responsibilities and agreed protocols including appropriate key performance indicators relevant to measuring the performance of the service provider for capital works program activities
- develop, finalise and implement project specific contracts which clearly outline the responsibilities of all parties, key performance indicators and milestones
- investigate the option of market testing certain services currently purchased, including requesting the service provider to demonstrate value for money processes.

###### *Recommendation regarding project reviews*

It was recommended that post project evaluations are undertaken as a standard process over all capital works projects.

###### *Recommendations regarding project governance*

It was recommended that:

- a governance framework be developed that clearly defines the terms of reference for the capital works program and the role of Facilities Management Branch. This would enable a clear vision of the capital works objectives to be achieved including documenting the roles and responsibilities of stakeholders at the program and project levels
- a record management policy be developed which documents quality standards and expectations at the program and project level
- a suitable terms of reference for the Asset Management Committee is in place and ensure that they are appropriate for the responsibilities related to an increased capital works program
- the risk management process for individual capital works projects ensure that treatment plans are documented
- suitable policies and procedures manual for the Facilities Management Branch be developed outlining the governance requirements of the capital works program and projects, in particular detail the requirements for program and project governance, development, delivery and review.

##### Department of Education, Training and the Arts

###### *Recommendations regarding project reviews*

It was recommended that:

- post project evaluations be undertaken as a standard process for individual capital works projects
- building performance reviews be undertaken as a standard process for all major and new capital works projects.

### ***Recommendations regarding project governance***

It was recommended that:

- record management policies and procedures be developed to improve the management of key records for capital works projects
- the department considers the engagement of independent experts on a periodic basis to assess whether major and new capital works projects are being completed in accordance with the established quality framework
- the main elements of the risk management process (i.e. the identification, analysis, evaluation and treatment of risks) be developed and used in the management of capital works projects
- policy and procedures for value added reviews be formally approved.

### **Department of Health**

#### ***Recommendations regarding project planning***

It was recommended that the department:

- ensure future capital works projects are subject to a rigorous and robust analysis in accordance with Treasury Department's Project Evaluation Guidelines prior to their inclusion in the Department of Health's capital works program
- base all future decisions regarding the location of health facilities on a transparent, patient focused service delivery planning framework that ensures wide community and stakeholder involvement together with relevant advice from technical experts. All decisions should be supported by full documentation to enable independent review and ensure accountability and probity of decisions
- develop a robust project cost estimation process and that all projects be fully costed prior to obtaining funding approvals and adopting the final project budget
- fully implement their recently developed Project Initiation Framework.

#### ***Recommendations regarding project delivery***

It was recommended that the department:

- develop and implement project specific contracts which clearly outline the responsibilities of all parties
- develop appropriate project reporting guidelines specifying as a minimum the form, content (including key performance indicators) and timing of project reporting. These guidelines should be consistently used by project managers and incorporated into contract conditions.

#### ***Recommendation regarding project reviews***

It was recommended that post project evaluations are undertaken by the department as a standard process on all capital works projects.

#### ***Recommendations regarding project governance***

It was recommended that the department:

- develop a governance framework that clearly defines the project brief or terms of reference for capital works and documents the roles and responsibilities of key positions and stakeholders at the program and project levels
- develop a record management policy that documents quality standards and expectations at the program and project level. This would promote the importance of quality documentation and assist in ensuring a consistent approach to the collection and collation of program and project specific records
- ensure the accuracy and completeness of the capital works program budget by establishing effective budget formulation procedures to accurately cost projects.

## **Department of Housing**

### ***Recommendation regarding project planning***

It was recommended that the department improve links between overall needs analysis and the resulting annual Capital Acquisition Program.

### ***Recommendation regarding project governance***

In relation to records management it was recommended the department documents expectations for management of records associated with capital works.

## **5.1.2 Report No. 8 for 2006 — fees and charges**

### **Department of Corrective Services**

It was recommended that:

- the policy on fees and charges collected by the department be revised to provide clarity and consistency in all aspects of fees and charges review, including reference to the *Financial Administration and Audit Act 1977*, *Financial Management Standard 1997*, and other key legislation and guidelines
- where the department considers user charges from a particular prison industry are not subject to fee review and cost recovery principles under the *Financial Administration and Audit Act*, the department should clearly establish the appropriate legislative authority for levying these user charges.

### **Department of Education, Training and the Arts**

It was recommended that a coordinated process and system be developed to ensure that all fees and charges levied for goods and services have regard to the full cost of providing these goods and services.

### **Department of Emergency Services**

It was recommended that:

- a coordinated process and system be developed to ensure that all fees and charges levied for goods and services have regard to the full cost of providing these goods and services
- the policy about fees and charges collected by the department be revised to provide clarity and consistency in all aspects of fees and charges review, including reference to the Treasury Department's *Principles for Fees and Charges* and other key legislation and guidelines.

### **Department of Primary Industries and Fisheries**

It was recommended that:

- a coordinated process and system be developed to ensure that all fees and charges levied for goods and services have regard to the full cost of providing these goods and services
- the policy about fees and charges collected by the department be revised to provide clarity and consistency in all aspects of fees and charges review, including reference to the Treasury Department's *Principles for Fees and Charges* and other key legislation and guidelines.

### **Department of Transport**

It was recommended that:

- a coordinated process and system be developed to ensure that all fees and charges levied for goods and services have regard to the full cost of providing these goods and services
- the policy about fees and charges collected by the department be revised to provide clarity and consistency in all aspects of fees and charges review, including reference to the Treasury Department's *Principles for Fees and Charges*
- the draft policy on managing fees and charges be finalised and approved
- a system to analyse the fees and charges levied for goods and services and determine those charges that are in the nature of a tax or levy be developed.

## 5.2 References

Department of Public Works, *Building Asset Performance Framework*, 2008.

Department of Public Works, *Capital Works Management Framework*, 2008.

Letter from the Under Treasurer to Directors-General on 20 December 2006 regarding the Auditor-Generals Report No. 8 for 2006 Results of Performance Management Systems Audit of the Management of Departmental Fees and Charges.

Office of the Parliamentary Council *Financial Administration and Audit Act 1977*.

Public Accounts Committee, Legislative Assembly of Queensland. *Report No. 73, April 2007 Review of Auditor-General Report 5 for 2006 – Results of Performance Management Systems Audits of Capital Works at Departments of Corrective Services, Education, Health and Housing*. 2007.

Treasury Department *Financial Management Standard 1997*.

Treasury Department *Principles for Fees and Charges*. 2006.

## 5.3 Abbreviations

Corrective Services	Department of Corrective Services
DES	Department of Emergency Services
DPIF	Department of Primary Industries and Fisheries
Education	Department of Education, Training and the Arts
Health	Department of Health
Housing	Department of Housing
FA&A Act	<i>Financial Administration and Audit Act 1977</i>
FMS	<i>Financial Management Standard 1997</i>
FMPM	Financial Management Practices Manual
Framework	Capital Works Management Framework
KPI	Key Performance Indicator
PAC	Public Accounts Committee
PMSA	Performance Management Systems Audit
Public Works	Department of Public Works
Report No. 5 for 2006	Report No. 5 for 2006 Results of PMSA of Capital Works at Departments of Corrective Services, Education, Health and Housing
Report No. 8 for 2006	Report No. 8 for 2006 Results of a PMSA of the Management of Departmental Fees and Charges
Transport	Department of Transport
Treasury	Department of Treasury

# Section 6

## Publications

### 6.1 Publications

Publication	Date released
Annual Report 2008	23 October 2008
<b>INFORM</b>	
Issue 5 for 2008	October 2008
Issue 4 for 2008	August 2008
Issue 3 for 2008	June 2008
Issue 2 for 2008	April 2008
Issue 1 for 2008	February 2008
<b>Guidelines</b>	
Better Practice Guide — Risk Management	October 2007
Checklist for Organisational Change — Managing MOG Changes	September 2006
Checklist — Preparation of Financial Statements	August 2006
Better Practice Guide — Output Performance Measurement and Reporting	February 2006
Better Practice Guide — Strategies for earlier financial statement preparation	December 2005
<b>Other</b>	
Auditor-General of Queensland Auditing Standards	April 2007
Performance Management Systems Audits — An Overview	December 2006



## 6.2 Auditor-General's Reports to Parliament 2008

Report No.	Subject	Date tabled in the Legislative Assembly
1	Auditor-General's Report No. 1 for 2008 Enhancing Accountability through Annual Reporting A Performance Management Systems Audit	17 April 2008
2	Auditor-General's Report No. 2 for 2008 Results of 2006-07 Audits of Local Governments, including Aboriginal Shire and Torres Strait Island Councils	1 May 2008
3	Auditor-General's Report No. 3 for 2008 Management of Rural Fire Services in Queensland A Performance Management Systems Audit	15 May 2008
4	Auditor-General's Report No. 4 for 2008 Results of Audits as at 31 May 2008	8 July 2008
5	Auditor-General's Report No. 5 for 2008 Protecting Queensland's primary industries and environment from pests and disease A Performance Management Systems Audit	26 August 2008
6	Auditor-General's Report No. 6 for 2008 Follow-up audit of Workforce Planning at Departments of Education, Training and the Arts and Health, incorporating their responses to an ageing workforce A Performance Management Systems Audit	7 October 2008
7	Auditor-General's Report No. 7 for 2008 Administration of Grants and Funding to Community Organisations by Local Government in Queensland A Performance Management Systems Audit	28 October 2008
8	Auditor-General's Report No. 8 for 2008 Follow-up of Selected Audits Tabled in 2006 A Performance Management Systems Audit	November 2008

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