



**Queensland
Government**

Department of
**Tourism, Regional Development
and Industry**

Our file reference: MN=93215
Contact officer: Pia Boscaino
Contact telephone: 3224 6622

Your file reference : Inquires/Evaluation PMS 145.08.23

10 JUL 2008

Ms Deborah Jeffrey
The Research Director
Public Accounts Committee
Parliament House
Alice and George Sts
BRISBANE QLD 4000

Dear Ms Jeffrey

Thank you for your letter dated 3 June 2008 requesting a submission from the Department of Tourism, Regional Development and Industry, addressing the terms of reference for the evaluation of the effectiveness of the performance management systems (PMS) audit mandate.

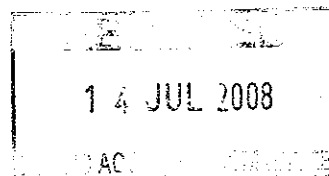
The department's response to the terms of reference outlined in your letter is attached for your information. The department's response is based on our experience with the PMS audit undertaken in 2005 and follow up on the recommendations from the audit.

Should you require any further information with regard to the above, please contact Mr Ross Brodie, Director, Corporate Support, Department of Tourism, Regional Development and Industry, on telephone 3238 3132.

Yours sincerely


Bob McCarthy
Director-General

Encl.



Level 26, 111 George Street
BRISBANE QLD 4000
PO Box 15168
City East QLD 4002

Telephone 1300 363 711
Facsimile
Website www.dtrdi.qld.gov.au
ABN 97 406 359 732

Inquiry into an evaluation of the effectiveness of the performance management systems (PMS) audit mandate in terms of the Parliament's previously expressed position.

Terms of reference

Question 1:

What is the role of the PMS audit mandate? Does it fulfill its function in the overall accountability process for the Parliament? What improvements has the mandate brought to the accountability systems?

Response:

From our experience, the PMS audit assesses the systems and processes used by the Department of Tourism, Regional Development and Industry to ensure they are sufficiently robust to support reliable and timely reporting of output performance information to Parliament.

It is our view that the PMS audit fulfills its function in the overall accountability process for the Parliament.

The department has experienced some improvements as a result of the implementation of the recommendations in the PMS audit in 2005. As an example, because the review supported the need for robust performance measures, the department's output measures were reconsidered and modified to better reflect the business of the agency.

Question 2.

Is the concept of PMS auditing understood by both auditor and auditee?

Response:

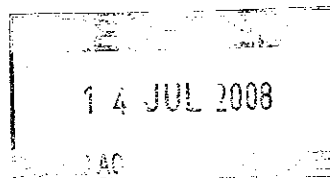
The department has been involved in one PMS audit. During the audit the auditor ensured that the auditee understood that the objectives including determining whether the performance management systems enable the department to assess whether its objectives are being achieved economically, efficiently and effectively. Those involved in the audit understood the process and found it valuable.

Question 3.

Is the PMS audit mandate being used effectively by the Queensland Audit Office (QAO)?

Response:

Since the initial audit in 2005 the QAO have followed-up on the progress of the recommendations in the Audit report. It is our view that the PMS audit mandate is being used effectively by QAO.



Question 4.

How does QAO assess if individual PMS audits have been effective?

Response:

Since our initial Audit we have received correspondence from the QAO checking on the progress of the implementation of the audit recommendations. The department has responded as requested by QAO.

Question 5.

How could the effectiveness of PMS audit mandate be improved?

Response:

The PMS audit mandate undertaken in 2005 was found to be very valuable to the department. The proactive follow-up on the implementation of the recommendations provided the Department with a check point for reviewing its actions.

It is the view of the department that the PMS audit mandate would be more effective if there was also an examination of specific costs and benefits to agencies through the implementation of the best practice performance management systems.

