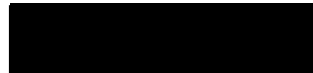


18 AUG 2014

Dr Leanna Read
Chair, SASP Audit Committee



August 12, 2014

The Hon Jay Weatherill MP
Premier of South Australia
State Administration Centre
200 Victoria Square
ADELAIDE SA 5000

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Dear Premier

Thank you for your letter of 8 July 2014 about the reform to government boards and committees.

The South Australia's Strategic Plan (SASP) Audit Committee appreciate the opportunity to provide you with our input into the approach being taken to abolish all government boards and committees whose function cannot be met through alternative means.

I would first like to say that the SASP Audit Committee have considered this issue under the assumption that the SASP is still relevant and viable in its current form. We appreciate there are a number of initiatives underway that may impact on the relevance of the SASP, including the work of the Economic Development Cabinet Committee (EDCC) and *Shaping the future of South Australia*.

The role of the SASP Audit Committee is to provide an independent and expert assessment of the State's progress against the 100 SASP targets. We believe the Committee provides an effective and efficient means of doing this, with the Committee members giving of their time and expertise generously in fulfilling this task every two years. We also acknowledge the support of your department and the significant resources that have been devoted to the Committee in the past in preparing the biannual progress report.

However, the Committee recognises that like all government agencies, DPC faces significant budget and staffing challenges that will impact on its ability to produce the progress report that was scheduled for this year. In light of this and your reform proposal, the Committee has met by teleconference to consider how we might respond to your letter.

Firstly, we would emphasise that the value of the SASP audit role is contingent on regular updates of the plan to maintain its relevancy to the State. If the community consultation process for regular updating can no longer be sustained, the value of the audit process would likewise diminish.

On the assumption that the SASP update and audit process is to continue, the Committee was unanimous in its view that if there needs to be some form of independent assessment of progress against targets to ensure government agencies and others are held accountable for achievement of the targets. This goes beyond simple auditing of targets – it requires strategic monitoring as a means of evaluating the State’s social, environmental and economic progress.

The Committee discussed alternative mechanisms or bodies for auditing and monitoring progress against SASP targets, should the SASP Audit Committee be disbanded. For example, the EDCC could be responsible for the “*Our Prosperity*” set of targets, and likewise your Science and Innovation Council is in a good position to take responsibility for the “*Our Ideas*” targets. However, there may not be existing mechanisms or bodies in place to cover all SASP targets, and we are concerned that auditing progress against some important targets, such as those related to social inclusion or environment, may fall to the wayside. A variation on this approach would be to have representatives of the EDCC and the PSIC jointly assume the monitoring and audit role, supplemented by additional community representatives to cover other areas of focus.

A second possibility is that the monitoring of progress against targets could be done through community forums using internet technologies (e.g. the Your Say website). In our view this would not achieve the full audit function, which relies on strategic and expert analysis and advice.

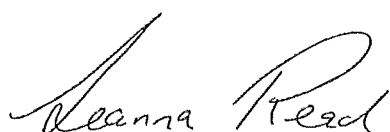
A further option might be for the audit function to be contracted to an external body such as one of the big four accountancy firms. This option is likely to be expensive, and it is unlikely that these firms would be able to bring the same level of expertise and knowledge to the table as does the Audit Committee members.

Regardless of the form of auditing and monitoring that may continue, the Committee recommends that other cost saving measures could be considered, such as restricting publication of the progress reports to an on-line version.

In conclusion, the Committee sees considerable value in an independent and expert audit function for the SASP, but we are uncertain if the resourcing levels can be maintained at a level to make this process viable.

Once again I thank you for the opportunity to explain the role of the SASP Audit Committee and to put a case for its future.

Yours sincerely



Leanna Read
Chair
South Australia’s Strategic Plan Audit Committee

PREM14D04268



Hon Jay Weatherill MP
Premier of South Australia

Dr Leanna Read
Chair
South Australia's Strategic Plan Audit Committee
[REDACTED]

Dear Dr Read

Thank you for your letter of 12 August 2014 to the Premier of South Australia, the Hon Jay Weatherill MP, about the South Australia's Strategic Plan (SASP) Audit Committee.

The Premier has asked that an appropriate officer from the Department of the Premier and Cabinet get in touch with you about this matter.

The Premier appreciates you bringing this matter to his attention.

Yours sincerely

A handwritten signature in cursive script, appearing to read "Jay Weatherill".

**Premier's Correspondence Unit
Office of the Premier**

18 August 2014