Evaluation Report: Statement of Expectations for PrimeSafe

Victoria State Government

Jobs, Precincts and Regions

1 Report purpose and evaluation objectives

The purpose of this report is to provide the results of an evaluation of the Statement of Expectations (SoE) for PrimeSafe, 1 July 2018 to 30 June 2020. The evaluation includes an assessment of the process that was used to develop the SoE and response for PrimeSafe, and the agency's performance against the SoE targets.

The objectives of the evaluation were derived from Department of Treasury and Finance (DTF) SoE evaluation guidelines and DTF guidance material about the intentions of the SoE Framework[1]. These objectives and performance measures were also summarised in the *Monitoring and Evaluation Plan: SoE for PrimeSafe* developed in 2018. The objectives of the evaluation were to:

- identify actions that could improve the development and design of PrimeSafe's next SoE;
- determine how well PrimeSafe's SoE and response support PrimeSafe's contribution to public policy outcomes; and
- in line with DTF's stated intentions for SoE evaluations, note any observations for consideration by DTF about the operation of the revised SoE framework[2].

2 Background

2.1 Preparation of this report

PrimeSafe's SoE and response is managed through the Food Regulation and Biosecurity Policy team in Agriculture Victoria, Department of Jobs, Precincts and Regions (DJPR). The team also conducted the evaluation of the SOE formulation and response process to inform future iterations of the SOE. Key roles and participants in the evaluation process are outlined in the table below.

Management arrangements for the evaluation plan	Role and responsibility
Manager, Food Policy	Manage the process for conducting the evaluation and ensure suitable resources are employed to conduct the evaluation. Ensure adequate independence between the design and delivery of the SoE evaluation. Ensure evaluation plan is conducted in consultation with PrimeSafe and according to DTF requirements (quality, timeliness).
Regulatory Manager, Agriculture Victoria	Liaise with DTF and provide advice to Manager Food Policy for the purposes of quality assurance, consistency with DTF guidelines and consistency across Agriculture Victoria.
Director, Food Regulation and Biosecurity Policy	Secure any additional resources that may be required for conducting the evaluation. Review the conduct of the evaluation and the final report. Consult with PrimeSafe as necessary.
Executive Director, Agriculture Regulatory Policy	Review and approve evaluation report before submission to the Deputy Secretary, Agriculture, Food and Fibre.
Deputy Secretary, Agriculture, Food and Fibre	Approve for submission to DTF and the Commissioner for Better Regulation and publication on DJPR's website.

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[1] Statement of Expectations for Regulators, available at: https://www.dtf.vic.gov.au/reducing-regulatory-burden/statement-expectations-regulators

[2] Department of Treasury and Finance, *Guidelines for Evaluation of Statements of Expectations for Regulators*, January 2018, available at https://www.dtf.vic.gov.au/reducing-regulatory-burden/statement-expectations-regulators, page 5.

2.2 PrimeSafe - context

PrimeSafe is the Statutory Authority responsible for regulating the safety of red meat, poultry and seafood in Victoria. PrimeSafe has the primary objective for the provision of safe, wholesome meat, poultry and seafood for all consumers. PrimeSafe is also responsible for the regulatory management of pet food.

PrimeSafe ensures compliance with Australian Standards for food safety and uses a licensing and inspection system as a mechanism for food businesses to adopt and implement a quality assurance program so that food safety and consumer confidence are maintained. PrimeSafe provides a range of information support services to allow the continued delivery of safe products and ensure market access for innovative new products that meet consumer demand.

2.3 PrimeSafe Board alignment to public policy outcomes

PrimeSafe legislation requires that licensees maintain a food safety program that is tailored to the needs of each business and uses quality assurance as the basis to ensure compliance with the Australian Standards for food safety. This approach improves the public health and consumer confidence of Victorians in meat and seafood and provides benefits for food businesses and the Victorian economy by ensuring continued confidence. In 2018-19, no food borne disease outbreaks were attributed to PrimeSafe licensees. A key question during the evaluation was the extent to which PrimeSafe's SoE and response support these public outcomes.

3 Methodology

The evaluation methodology draws on a simple analysis addressed in two components:
1. A **process evaluation** of the approach used to develop the SoE; and
2. A **performance evaluation** of the improvements and targets documented in the SoE.

In each case the method consisted of a consultation process between PrimeSafe (and the Food Policy team in DJPR. Consultations on the **process evaluation** took place in mid-2018. Consultations on the **performance evaluation** took place from August 2019. PrimeSafe provided documentation relating to the evaluation questions in October 2019. In each case draft documents were then circulated for comment, before finalisation in September 2018 and December 2019 respectively.

The analysis was based on these consultations, together with information gathered from the PrimeSafe Corporate Plan, PrimeSafe Annual Reports during the SoE period, PrimeSafe's public website and the joint DJPR-PrimeSafe annual health checks managed by Agriculture Victoria. In the case of the performance evaluation, the Minister's expectations as set out in the SoE are used as the starting point (see Section 5 below).

PrimeSafe's current SoE will end on 30 June 2020. The DTF requires that this evaluation is completed by 31 December 2019. In practice, this means that the performance evaluation is based on information available at November 2019. It is therefore a progress update, as distinct from a full and final evaluation of PrimeSafe's performance against the SoE. PrimeSafe is expected to continue delivering on the Minister's expectations throughout the SoE period and to report on progress in its 2019-20 annual report.

The approach to the two components, including the key evaluation questions that form the basis for the analysis, is summarised in the tables below.

3.1 Process Evaluation

The process evaluation considered alignment to the SOE Framework and Guideline developed by DTF and addressed the key evaluation questions shown in the table below.

Key Evaluation Questions	Performance measures (how will success be measured?)	Data collection method (how will data be collected?)	Data source (Where is the information found or who has it)
KEQ: How aligned to the SoE framework is PrimeSafe's SoE?			
Does PrimeSafe's SoE and response address the mandatory good practice elements prescribed by the SoE framework (timeliness, risk-based strategies, compliance-related assistance and advice)? Does PrimeSafe's SoE include elements addressing recommended or suggested good regulatory practice in accordance with the SoE framework (incentive-based regulation, clear and consistent regulatory activities)?			• SoE and response content
KEQ1: How appropriate was the process for developing the SoE?			
1.1 What was the approach for developing the SoE? 1.2 Was the evidence base appropriate to develop the SoE? 1.3 How satisfied were DJPR and PrimeSafe in the process?	• Consistency with DTF guidelines • Relevance to PrimeSafe • Time and iterations to agree on SoE	• Interviews with PrimeSafe and self-reflection by Food Policy team • Compare with previous process	• Food Policy Team, PrimeSafe

3.2 Performance Evaluation

For the performance evaluation, the analysis considers what would constitute success in terms of meeting the SoE targets and establishes a set of questions that form the criteria for assessment.

Key Evaluation Questions	Performance measures (how will success be measured?)	Data collection method (how will data be collected?)	Data source (Where is the information found or who has it)
KEQ 2: To what extent did PrimeSafe deliver the improvements and targets established in the SoE and PrimeSafe's response (Accountability)			
2.1 How suitable/relevant were the measures in achieving improved outcomes? 2.2 Were the annual reporting requirements met?	• Data and evidence that improved outcomes were achieved • Proportion of key measures and targets in the SoE met	• Public reporting against SoE and regulator response • Baseline performance data	• PrimeSafe Annual Report • PrimeSafe previous annual reports, internal reports
KEQ 3: What difference did the SoE make towards achieving greater efficiency and effectiveness in the administration and enforcement of regulation by PrimeSafe?			
3.1 What improvements in compliance have occurred following the increased assistance and advice? 3.2 How has the risk assessment process affected Compliance and Enforcement Policy? 3.3 Did the SoE deliver performance improvements beyond business as usual?	• Comparison of change in levels of advice and improvements in audit results (3.1) • Comparison of policy changes with up-dated risk assessment (3.2) • Business response to regulatory requirements (3.1, 3.2)	• Case study of key area identified for improvement • Interview with PrimeSafe • Business survey	• PrimeSafe Annual Reports • Previous annual reports, internal reports • Industry performance data

Appendix A contains additional questions which were used to inform the evaluation.

4 Process evaluation: Key Findings

Key Evaluation Questions Section 1: How aligned to the SoE framework is PrimeSafe's SoE? How appropriate was the process for developing the SoE?

PrimeSafe's SoE and response for 1 July 2018 to 30 June 2020 address the necessary minimum elements of the SoE framework which include:

1. Timeliness;
2. Risk-based regulation; and
3. Compliance related assistance and advice (particularly as it relates to small business).

It also covers further expectations and actions to address the regulatory burden on small business and in providing clear, consistent and transparent regulation.

What was the approach for developing the SoE?

The DTF guidelines were considered by Food Regulation and Biosecurity Policy staff of (then) DEDJTR and the CEO of PrimeSafe prior to developing draft SoEs. The Department convened a meeting with the regulators and a DTF representative to discuss the process and content, and for DTF to provide advice on where improvements could be made on the previous SoEs. The importance of timelines and targets were noted.

The general approach taken was to consult with the regulator from the outset and provide opportunities for the regulator to amend or make comments before submitting a draft for the Minister for Agriculture's consideration. The process commenced in mid-March 2018 to allow sufficient time for consultation and review. The Minister was briefed on the process, general content and on any specific requirements included that had been requested by the Minister. In addition, the Treasurer, the Hon Tim Pallas MP, requested that the Minister include digitisation and incentives-based regulation in PrimeSafe's SoE. The SoE was signed by the Minister for Agriculture on 6 June 2018 (prior to the deadline of 30 June 2018).

Performance measure: Consistency with DTF Guidelines

The draft SoE was reviewed internally by staff within Regulatory Improvement, DJPR for consistency the DTF SoE framework. No amendments were required.

Was the evidence base appropriate to develop the SoE?

The previous SoE had been issued by the Minister for Agriculture on 30 June 2017. Consequently, the annual report that would have provided evidence of actions by PrimeSafe in relation to the previous SoE, was unavailable prior to the deadline of 30 June 2018.

The previous SoE had been developed in accordance with the current DTF Guidelines. The SoE included detailed performance targets for all areas required by the Guidelines.

The SoE was updated to incorporate the request from the Treasurer, which was based on a review by the Red Tape Commissioner on farm gate businesses. Because the SoEs are intended to demonstrate improvement over time, most performance targets remained with some amendments made to clarify the expectation or align with government priorities.

Performance measure: Relevance to PrimeSafe

The basis for the development of the performance targets considered the previous SoE, the 2015-2020 PrimeSafe Corporate Plan, policies and procedures, previous reviews and annual reports. The (then) DEDJTR Governance Framework also provided guidance on what should be included.

In addition to previous SoE's, PrimeSafe also considers performance using the Victorian Guide to Regulation and the Financial Management Compliance Framework. There are benefits in aligning and integrating SoE targets and reporting with existing reporting requirements where data can be collected for SoE purposes and other requirements. PrimeSafe noted that while continuous

improvement and oversight are necessary, there is potential for goal displacement and substantial cost where governance and monitoring frameworks are not aligned. Integration of multiple governance requirements should be considered in the design of the future SoE framework, with a risk assessment such as the departmental governance framework, potentially adding value to the framework design and identification of agency specific focus areas of future SoE's.

How satisfied were DJPR and PrimeSafe with the process?

Feedback from PrimeSafe was positive. It was noted that there was considerable effort and discussion to reach agreement on the previous SoE that formed the basis for developing the 2018-2020 SoE. The result provided a sound basis for demonstrating performance improvements that are relevant to delivering the corporate goals of PrimeSafe. It will support PrimeSafe's accountability to government, industry and the community by demonstrating PrimeSafe is striving to improve regulatory services consistent with government priorities.

One area to improve the SoE process is the length of time between reviews of the SoE. In this case the issuing of two SoEs in quick succession did not allow for a period of consolidation to enable the regulator to fully develop new approaches and gather evidence to demonstrate improvements. It would also improve the efficiency of the SoE process if there could be greater alignment with the governance framework processes (For example, the DJPR agency health checks).

Performance measure: time and iterations to agree on SoE

The process was efficient without the need for multiple meetings or drafts. One face to face meeting was held and three drafts (including the final) were made. No amendments were required by the Minister.

In summary, the PrimeSafe SoE was developed in line with the DTF Framework and included key elements of good regulatory practice. Appropriate baselines for performance were established, noting that the two SoE processes occurred in quick succession. Consultation processes between the department and PrimeSafe were appropriate, with sufficient time allowed to complete the process. The SoE and the PrimeSafe Chairperson's response were published on PrimeSafe's website, in accordance with the Framework. PrimeSafe's Corporate Plan preceded the present SoE process, however there is some overlap in terms of targets. PrimeSafe addresses the SoE, including progress against expectations, in each annual report. PrimeSafe has incorporated the SoE targets into the risk management and business planning process. The SoE was issued to the PrimeSafe Board, in accordance with the SoE framework.

5 Performance evaluation: Key Findings

Key Evaluation Questions Section 2: To what extent did PrimeSafe deliver the improvements and targets established in the SoE and PrimeSafe's response? (accountability)

Based on available evidence, most improvements and targets established in the SoE were met. PrimeSafe's formal record of reporting against the SoE is provided in its Annual Report (pages 12-14). Evidence is detailed in PrimeSafe's public documents and the website. PrimeSafe reported no significant variations in delivering against the Minister's expectations.

PrimeSafe met its annual reporting requirements, consistent with the Department of Treasury and Finance requirements and the Department of Environment, Land, Water and Planning (DELWP) Guidelines. The Report of Operations and Financial Statements were reviewed and approved ahead of the Report's tabling in the Victorian Parliament. Benchmarking of performance occurs in the inclusion of figures and outcomes across multiple financial years for comparison (see the Annual Reports and the Key Performance Statistics).

Additional benchmarking would prove useful for PrimeSafe to demonstrate its performance against the Minister's SoE. Benchmarking performance has been identified by DJPR as a priority for the

forthcoming PrimeSafe Corporate Plan 2020-2025. PrimeSafe's corporate planning process determines the strategic focus for the agency. The plan (2015-2020) was in place ahead of the SoE process. The agency reported that better use and aligning of reporting requirements in relation to the SoE would improve the process. For PrimeSafe, this timing meant the SoE constituted an additional check rather than resulting in significant changes for the agency.

Timeliness

Statement of Expectations:

I expect PrimeSafe to establish and meet clear timeframes for key regulatory and administrative processes. I expect PrimeSafe to have processes and systems in place to make it easy for businesses to submit information for licensing and compliance. In responding to this expectation, I expect that PrimeSafe will:

- align timelines for key regulatory and administrative processes with other regulators where appropriate
- clearly communicate timelines for key regulatory and administrative processes to individuals and businesses, to reduce uncertainty and avoid duplication
- reduce the time taken for key decisions as far as quality, resourcing and due process allow
- use digitisation to improve efficiency and effectiveness in access and utilisation of information
- engage with the department on its digital agriculture initiative.

PrimeSafe's objectives on timeframes for key regulatory and administrative processes are outlined in the PrimeSafe *Compliance and Enforcement Policy*, the PrimeSafe Annual Report, and the PrimeSafe *Key Performance Indicators* (see Appendix A). Timelines are explained to prospective and current licensees, including targets and results.

PrimeSafe reports that, where possible, regulatory and administrative processes have been aligned with other regulators. This includes biosecurity and planning processes, Australian Standards, and guidelines for food safety and animal welfare. Timelines were reviewed as part of the *Compliance and Enforcement Policy*, which is published on the website. For 2018-19 all licence approvals, enquiries and complaints were managed within target timeframes. PrimeSafe reports that issues pertaining to public health and animal welfare take priority.

PrimeSafe has improved its website, which recently underwent a review. A new website was launched on 5 April 2019. An 'Information and Support' section has been created to provide information to existing and prospective licensees on a range of issues: licensing, manufacturing, construction requirements, legislative requirements (Acts & Standards) and high-risk processing of meat, poultry, seafood and pet meat. Information is provided in the form of fact sheets, frequently asked questions, newsletters, forums, and news items. PrimeSafe launched its eNews publication in 2017. PrimeSafe reported significantly higher website traffic in 2018-19 compared to previous years. PrimeSafe compiles data on information and support services provided and reports that this data is used to tailor information available on the website (see Appendix A). These measures have improved public facing procedures for communicating with stakeholders.

Digitisation is being used to improve the Licence Management System, for first-time applications and renewals. This upgrade is partially implemented. The system will allow PrimeSafe licensees to apply for and renew licences online. PrimeSafe reports that assessments for a licence application take place within 10 days, where possible. Further detail is provided in Appendix A.

There may be opportunities to further digitalisation efforts through PrimeSafe's involvement in DJPR's digital agriculture initiative.

Risked-based strategies

Statement of Expectations:

I expect PrimeSafe to apply a risk-based, proportionate regulatory approach which protects the public health and safety of consumers, and promotes high levels of compliance by licensees, in line with national standards and licence conditions. In responding to this expectation, I expect that PrimeSafe will:

PrimeSafe's approach to risk, including definitions and methodology, is set out in the *Compliance and Enforcement Policy* (on the website) and the agency's risk management framework (not public). PrimeSafe reports that the documents are reviewed internally on a regular basis. To assist with the SoE process it would be useful if the documents included the most recent date of review and the relevant governance process – for example, when the reviewed policy is approved by the Board. It would also be useful to show evidence that these documents have been reviewed externally against best practice and other comparable regulatory frameworks.

PrimeSafe uses a suite of regulatory and non-regulatory compliance and enforcement tools and these are used according to its internal policy. Non-regulatory tools include the dissemination of relevant information through the PrimeSafe website and forums. Enforcement tools (including intensified audit frequency, prohibition notices, and prosecution) are detailed in PrimeSafe's annual reports together with their use during the reporting period (see Appendix A).

PrimeSafe's Reduced Audit Program is its primary incentive-based compliance program. There are five approved applications under this Program (see page 12 of the Annual Report) and take-up of this program remains low.

While the SoE helped to reaffirm PrimeSafe's commitment to risk-based approaches, improvements to its use of risk-based strategies were already in place under its corporate plan. This provides an example of how alignment issues between the SOE Framework and other governance frameworks can create overlapping administrative burden for regulators.

Key Evaluation Questions Section 3: What difference did the SoE make towards achieving greater efficiency and effectiveness in the administration and enforcement of regulation by PrimeSafe?

Compliance related assistance and advice

PrimeSafe reports that it has worked to improve the licensee experience in a range of ways. These are detailed in the Annual Report and on the website. Examples include: obtaining feedback via evaluation of forums (for example on animal welfare and listeria management); tailoring information for licensees based on stakeholder survey results to provide specific useful information; and the establishment of the Meat Industry Consultative Committee. PrimeSafe's website, and the online services for licence management, have been upgraded (see Appendix A).

PrimeSafe conducted a stakeholder survey in May 2018 to gauge stakeholder views and needs. The Annual Report states that the agency achieved a high satisfaction rating.

PrimeSafe has an Information and Support Fee for Service program to provide advice to prospective licensees. Prospective licensees must email PrimeSafe to find out further information about this service.

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Case Study: Establishment of the Meat Industry Consultative Committee

In March 2019 PrimeSafe established the Meat Industry Consultative Committee (MICC). The committee was established to provide select industry participants an opportunity to engage with PrimeSafe and provide feedback on communications material. The committee has identified a range of issues where additional information was required by industry. Membership is by invitation. The MICC met in March 2019.

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Small Business Regulatory Burden

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Statement of Expectations:

I expect PrimeSafe will reduce direct and indirect compliance costs for small business licensees.

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PrimeSafe reports that online information provision and the online license management system, including for small business licensees, have been improved during the reporting period. Recent upgrades are part of a continuous improvement process which aims to make it easier for licensees to access information online.

Clear, consistent and transparent regulation

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Statement of Expectations:

I expect PrimeSafe to undertake monitoring and enforcement activities consistently, and with regard to the regulation of similar risks by other regulators in Victoria, Australia and New Zealand.

I expect that PrimeSafe will impose the minimum effective regulatory burden on licensed business activities that is necessary to achieve food safety outcomes, consistent with similar activities regulated by other food safety regulators in Victoria.

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PrimeSafe has regard to the regulation of similar food regulators in Victoria through its participation in the Victorian Food Regulators Forum. PrimeSafe has signed the Memorandum of Understanding with the other Victorian food safety regulators through the Victorian Food Regulators Forum. PrimeSafe engages regularly with state and national food safety regulators. In August 2019, PrimeSafe participated in Exercise Morass, an incident response exercise on food safety run by DJPR. The exercise provided an opportunity to compare procedures with other Victorian food regulators.

PrimeSafe's compliance objectives and principles are published on the website. The agency reports that the PrimeSafe Board undertook a review of these policies during 2018-19, for the purpose of quality assurance and continuous improvement. During the reporting period, PrimeSafe conducted internal audits of all 44 of its policies and procedures that enabled further refinement in administration, governance, information and support, licensing and compliance and enforcement (see Appendix A).

Auditor calibration and identification of improvements occur at regular meetings between PrimeSafe and third-party auditors. PrimeSafe annually reported the number of complaints about third-party auditors and PrimeSafe's actions (pages 13-14 of the Annual Report).

6 Recommendations

The following recommendations are based on the objectives of this evaluation, which were to identify potential improvements to the SoE development process, evaluate whether the SoE and response support achievement of public policy outcomes, and note observations for consideration by DTF about the operation of the SoE Framework.

The findings of the Process Evaluation suggest that the SoE development process was satisfactory for the agency and for DJPR. It is clear that the SoE process could be further improved. The findings of the Performance Evaluation suggest that PrimeSafe is making ongoing improvements to its internal policies, procedures and communications practices to address the SoE. Based on the current performance measures, Primesafe meets its legislated functions to protect public health and has assisted licensees and stakeholders to understand and address their legislate compliance responsibilities.

Process Evaluation:

- Consideration should be given to the alignment of the SoE process to other governance reports such as the corporate plan for regulators. This would reduce the reporting burden for the agency but also give a more accurate indication of where the SoE and response support public policy outcomes.

- In PrimeSafe's case, the 2015-2020 Corporate Plan was in place before the SoE process. While the SoE process affirms PrimeSafe's existing commitments to good regulatory practice, it seems unlikely the SoE process offered additional value to existing agency objectives and processes in this case. Ideally, the agency's corporate planning process and the SoE process would align and be complementary, in relation to content and objectives and the timing of reporting. This should be taken into account in the development of the forthcoming PrimeSafe corporate plan (2020-25) and the development of the Minister's next SoE which will take effect from July 2020.

- The SoE process would be more effective if it allowed for the broader context of the agency's obligations under legislation and additional requests from the responsible minister over the reporting period. Under the existing framework, the agency must deliver on the SoE objectives as specified. It must also be responsive to additional ministerial direction and government policy. This can create overlapping and potentially conflicting obligations on the authority.

- The SoE process could have set more effective performance measures to enable PrimeSafe to demonstrate that it has fully met the Minister's Statement of Expectations, any additional deliverables requested by the Minister, or achieve practical benefits for licensees and consumers. The SoE process is also limited in its flexibility to adapt to a changing set of ministerial expectations, including those that are conveyed to PrimeSafe over the year to facilitate delivery of government policy. In finalising its 2020-25 Corporate Plan, it is recommended that PrimeSafe include a comprehensive, clear, effective and flexible framework for measuring performance, using both quantitative and qualitative measures.

Performance Evaluation:

- PrimeSafe has reported internal process improvements in relation to some SoE elements. In a number of areas, PrimeSafe should provide further, detailed information and additional benchmarking to demonstrate improvements. In particular:
  - PrimeSafe should build on current efforts and continue to develop procedures to clearly communicate with stakeholders about the implementation of new regulatory frameworks;

- PrimeSafe must implement additional Ministerial requests or deliverables (that may be beyond the scope of the SOE), including policy and legislative decisions that impact stakeholders. These should be included as part of the SOE response to ensure their timely delivery;
- PrimeSafe should report in detail on stakeholder survey results to increase transparency. This will also enable targeted communication strategies to effectively assist stakeholders in understanding their obligations and rights, in particular the small business cohort;
- documents which are regularly reviewed by PrimeSafe should include dates of board or committee approval (see for example the Compliance and Enforcement Policy and the PrimeSafe's risk management plan) so that annual iterations can be compared for continuous improvement;
- additional efforts to move towards digitisation – beyond the Licence Management System and website – should be explored by PrimeSafe with the aim of increasing efficiencies for ongoing licensees as well as new licensees;
- consultative mechanisms should be expanded to include a full range of stakeholders (from small business to larger businesses) and meet regularly. The Meat Industry Consultative Council may provide an appropriate forum; and
- PrimeSafe should proactively explore additional improvements in relation to incentives-based compliance arrangements, including improving the use of technology associated with the Reduced Audit Program and by reviewing the program as necessary.

7 Appendix A – Evaluation Questions and Results

The development of assessment criteria was based on the objectives of this evaluation, which were derived from the stated requirements and intention of the SoE framework and key evaluation questions identified in the Monitoring and Evaluation Plan (2018). These objectives included:

- Identification of actions that could improve the development and design of PrimeSafe's next SoE,
- Determination of how well PrimeSafe's SoE and response support PrimeSafe's contribution to public policy outcomes, and
- Any observations for consideration by DTF about the operation of the revised SoE framework.

The evaluation made an analysis of the information needed to achieve these objectives, and the questions that would need to be answered to serve those information needs. The analysis considered what would constitute success in terms of PrimeSafe meeting its SoE targets, and in terms of the SoE framework achieving its intended outcomes. On this basis the following set of questions was established, which formed the assessment criteria used for the evaluation.

Key Evaluation Questions	Sub-questions	Performance measures	Results and Evidence
KEQ1: How aligned to the SoE framework is PrimeSafe's SoE?			
	Does PrimeSafe's SoE and response address the mandatory good practice elements prescribed by the SoE framework (timeliness, risk-based strategies, compliance-related assistance and advice)?	• SoE content	Yes. PrimeSafe SoE, letter from the Hon Jaala Pulford MP to Board Chairperson Ms Candy Broad, 6 June 2018. PrimeSafe Response letter 27 July 2018.
	Does PrimeSafe's SoE include elements addressing recommended or suggested good regulatory practice in accordance with the SoE framework (incentive-based regulation, clear and consistent regulatory activities)?	• SoE content	Yes. PrimeSafe SoE, letter from the Hon Jaala Pulford MP to Board Chairperson Ms Candy Broad, 6 June 2018. PrimeSafe Response letter 27 July 2018.

Key Evaluation Questions	Sub-questions	Performance measures	Results and Evidence
KEQ1: How appropriate was the process for developing the SoE?			

Key Evaluation Questions	Sub-questions	Performance measures	Results and Evidence
1.1 What was the approach for developing the SoE?	• Was the SOE process recommended in the SoE Framework adopted (i.e. see nine elements of good regulatory practice which include timeliness, risked-based strategies and compliance-related assistance and advice)? If not, what was the approach?	• Consistency with DTF guidelines • Relevance to PrimeSafe • Time and iterations to agree on SoE	• See the Key Findings of the Process Evaluation above, concluded September 2018 by AgVic and PrimeSafe.
1.2 Was the evidence base appropriate to develop the SoE?	• Was there an appropriate baseline of current performance against each of the elements of good regulatory practice (i.e. was there a regulator self-assessment and was it provided to the department)? • How were the actions in PrimeSafe's SoE response determined? • What consultation process was used to develop the SoE and response?	• Consistency with DTF guidelines • Relevance to PrimeSafe • Time and iterations to agree on SoE	• See the Key Findings of the Process Evaluation above, concluded September 2018 by AgVic and PrimeSafe.
1.3 How satisfied were DJPR and PrimeSafe in the process?	• Was sufficient time allocated to complete each part of the process? • Have the SoE and response both been published on PrimeSafe's website in accordance with the SoE framework? • Have the SoE targets been incorporated into PrimeSafe's Corporate Plan? • Has PrimeSafe reported publicly on its progress against the expectations and targets in its SoE? • Did PrimeSafe undertake a self-assessment process (or equivalent) as recommended by the SoE framework? • Was the SoE issued to the PrimeSafe Board in accordance with the SoE framework?	• Consistency with DTF guidelines • Relevance to PrimeSafe • Time and iterations to agree on SoE	• See the Key Findings of the Process Evaluation above, concluded September 2018 by AgVic and PrimeSafe.

Performance evaluation criteria

Key Evaluation Questions	Sub-questions	Performance measures	Results and Evidence
KEQ2: To what extent did PrimeSafe deliver the improvements and targets established in the SoE and PrimeSafe's response? (accountability)			
2.1 How suitable/relevant were the measures in achieving improved outcomes?	• Did PrimeSafe deliver the improvements and targets established in the SOE letter and its response on time? • Does the evidence and data demonstrate achievement of the improvements and targets? • Was there adequate understanding of and explanation for variations from intended performance improvements and targets?	• Data and evidence that improved outcomes were achieved • Proportion of key measures and targets in the SoE met	• Based on available evidence, some improvements were made and targets met. • Evidence and data are available in the agency Annual Report and other public documents on the website. • PrimeSafe reported no significant variations against the Minister's SoE.
	SOE Framework: **Timeliness** • What changes has PrimeSafe made to its communication processes about timeframes? • Has PrimeSafe established accountable standard timeframes to address enquiries or complaints? Are these being met? • Have stakeholders provided any comment or feedback to PrimeSafe regarding clarity of decision-making timeframes?	• Publish target response times for the assessment of licence applications, responding to enquiries and resolving complaints. • Annually report on the timeliness of key regulatory and administrative processes, by business size and licence category, where relevant (i.e. the proportion of licence applications assessed, and enquiries and complaints acknowledged and resolved, within the target response times). • Annually report on improvements to digitisation that provide efficient and simple systems for	• PrimeSafe publishes target response times for licence applications, responding to enquiries and complaints in the Annual Report and the PrimeSafe Compliance and Enforcement Policy (page 9). 100% of complaints were assessed in 24 hours across the reporting period. • PrimeSafe's 2018-19 Annual Report addresses timeliness (page 12). • Digitisation is discussed on pages 2, 7 and 12 of the Annual Report. The PrimeSafe website underwent a major review in 2018-19. The web-based licence management

Key Evaluation Questions	Sub-questions	Performance measures	Results and Evidence
		businesses to provide information electronically.	software also underwent a major revision in 2018-19. • PrimeSafe reported significantly higher website traffic in 2018-19 (Key Performance Statistics).
	SOE Framework: **Risk-based strategies** • Has PrimeSafe reviewed its current practices? • What methodology has PrimeSafe put in place to identify and assess regulatory risk? • What key priorities has PrimeSafe identified based on assessment of regulatory risk?	• Annually report on the total number and proportion of licensees with reduced audit status, by business size and licence category, where relevant. • Annually report on the number and proportion of licensees fully compliant at the time of audit, by business size and licence category, where relevant. • Annually report on the number and proportion of licensees subject to enforcement action within twelve months of major or critical issues being identified at audit. • Annually report on the number and proportion of complaints about foodborne illness attributed to a PrimeSafe licensee.	• PrimeSafe regularly reviews its risk-based strategies. These are detailed in the Compliance and Enforcement Policy (pages 7-8). The Board includes an Audit and Risk Committee which met five times during the past financial year. • Priority risks have been identified for increased focus. For operational reasons these are not made public. • PrimeSafe reported annually on the number of licensees subject to intensified audit frequency, prohibition notices and prosecution (Annual Report pages 20-21.) • PrimeSafe reported on the number of licensees with a reduced audit status (Annual Report page 12). • PrimeSafe reported on the number of foodborne illnesses attributed to a PrimeSafe licensee (nil, Annual Report page 6). • PrimeSafe reports annually on complaints received (Annual Report pages 19-20).

Key Evaluation Questions	Sub-questions	Performance measures	Results and Evidence
2.2 Were the annual reporting requirements met?	• Does PrimeSafe's 2018-19 Annual Report include an update of performance against the SoE targets? Did this include benchmarking of current levels of performance?	• Alignment with DELWP Annual Report Guide • Report of Operations and Financial Statements reviewed by relevant departmental agencies.	• Yes. See especially pages 12-14. PrimeSafe was provided with the DELWP guide ahead of the reporting deadline. • The Report of Operations and Financial Statements were reviewed and approved before the Report was table in Parliament in October 2019. • Benchmarking of performance measures is included in the Annual Report – for example inclusion of figures across multiple financial years for comparison. • Benchmarking performance is an area identified by DJPR as a priority in the forthcoming PrimeSafe corporate plan, 2020-2025.
KEQ 3: What difference did the SoE make towards achieving greater efficiency and effectiveness in the administration and enforcement of regulation by PrimeSafe?			
3.1 What improvements in compliance have occurred following the increased assistance and advice?	SOE Framework: **compliance-related assistance and advice** • Does PrimeSafe provide advice and assistance in a way that is experienced by licensees and other stakeholders as helpful, respectful, impartial, proportionate, predictable and transparent? How is stakeholder feedback collected and responded to? How regularly does PrimeSafe collect information on licensees' and stakeholders' views and evaluate their experience? • How are businesses consulted when developing new guidance documents?	• Comparison of change in levels of advice and improvements in audit results (3.1) • Describe in detail the opportunities PrimeSafe provides for licensees to provide feedback and input in policies, standards, procedures and guidelines, and report on uptake of	• Compliance-related improvements have been detailed in a range of publications on the PrimeSafe website over the reporting period. See the Annual Report (pages 14-15); eNews; fact sheets; PrimeNotes. • Consultation with licensees and feedback was via forum evaluations; through the

Key Evaluation Questions	Sub-questions	Performance measures	Results and Evidence
	• How are systemic issues addressed? Do risk management and business planning processes adequately consider and address such issues? SOE Framework: **small business regulatory burden** • What is the status of improved availability of online services? • How have processes for individuals and businesses to complete forms and applications been simplified and streamlined to reduce regulatory burden? Has the collection and processing of this information also been streamlined?	feedback and input mechanisms by licensees. • Describe how this feedback has been addressed in risk management and business planning processes. • Annually report on the number of enquiries for information and support. • Annually report on licensee satisfaction rating of PrimeSafe's information and support services. • Describe the reduced regulatory burden on small business licensees, as a result of PrimeSafe's actions, with reference to general direct and indirect costs to licensees. • Annually report on the number of newly licensed small businesses. • Annually report on small business licensee satisfaction rating of PrimeSafe's information and support services.	new Meat Industry Consultative Committee, and anecdotally. • PrimeSafe conducted a stakeholder engagement survey (see the Annual Report page 13) with a high satisfaction rating. The survey occurs annually. • Online services were improved in April 2019. • The simplification of forms is ongoing. This was detailed in a licence brochure (multiple languages). • Small business regulatory burden and improvements are detailed in the Annual Report (pages 13, 15). Additional detail on improvements specifically targeted at small business – and identifying this cohort in the stakeholder survey – would demonstrate the case further.
3.2 How has the risk assessment process affected compliance and enforcement policy?	• What are PrimeSafe's compliance objectives and principles? • Are PrimeSafe's compliance objectives and principles published and readily accessible? • What risk-based compliance strategies has PrimeSafe put in place to address its key priorities? • To what extent did PrimeSafe improve risk-based strategies through this SOE?	• Comparison of policy changes with up-dated risk assessment (3.2) • Describe PrimeSafe's audit consistency measures and the outcomes of these measures.	• PrimeSafe's *Compliance and Enforcement Policy* is available on the website. It is reviewed annually. Enforcement tools are prescribed and used commensurate with risk.

Key Evaluation Questions	Sub-questions	Performance measures	Results and Evidence
		• Describe PrimeSafe's measures to achieve consistency in licence conditions for businesses conducting similar activities within Victoria. • Annually report the number of complaints about PrimeSafe third party auditors and describe how complaints have informed continuous improvement of third-party audit. • Outline how key interactions with the Department of Jobs, Precincts and Regions, the Department of Health and Human Services, local councils, and other Australian and New Zealand Food Regulators, have informed continuous improvement of PrimeSafe's regulatory approach and performance.	• Audit consistency measures are managed through the PrimeSafe Audit Program and with reference to legislation and standards. • Consistency in licence conditions is informed by regular interactions with Victorian regulators and an MoU through the Victorian Food Regulator's Forum. • PrimeSafe annually reports the number of complaints about auditors (Annual Report page 13). Two complaints were investigated during 2018-19 and policies were revised accordingly. • Continuous improvement is informed by key interactions with DJPR, the Department of Health and Human Services, local government (including through the VFRF), other Australian jurisdictions and New Zealand.
3.3 Did the SoE deliver performance improvements beyond business as usual?		• Business response to regulatory requirements (3.1, 3.2)	• Not in a significant way. The PrimeSafe corporate plan determines agency strategy – it was already in place. The agency reported that the SoE process could better utilise existing reporting requirements, and that the SoE constituted a further check rather than a change process. The

Key Evaluation Questions	Sub-questions	Performance measures	Results and Evidence
			process could be better tailored to each regulator.

Sources

Department of Jobs, Precincts and Regions, *Guide to Good Governance and Portfolio Performance,* 2019, available at: https://djpr.vic.gov.au/about-us/publications

Department of Treasury and Finance, *Guidelines for Evaluation of Statements of Expectations for Regulators*, January 2018, available at https://www.dtf.vic.gov.au/reducing-regulatory-burden/statement-expectations-regulators

PrimeSafe, Annual Report, 2018-19, available at: https://www.primesafe.vic.gov.au/about-us/publications/

PrimeSafe, Compliance and Enforcement Policy, available at: https://www.primesafe.vic.gov.au/uploads/Publications/PrimeSafe%20Compliance%20&%20Enforcement%20Policy%202018.pdf

PrimeSafe, Key Performance Indicator Reporting Statistics, available at: https://www.primesafe.vic.gov.au/uploads/Publications/ED%204%20April%202019_KPI%20Reporting_PrimeSafe%20&%20Industry_2018_19_CumulativeV1.pdf