



Tasmanian
Audit Office



**Auditor-General's
Annual Plan of Work 2021-22**

29 June 2021

The Role of the Auditor-General

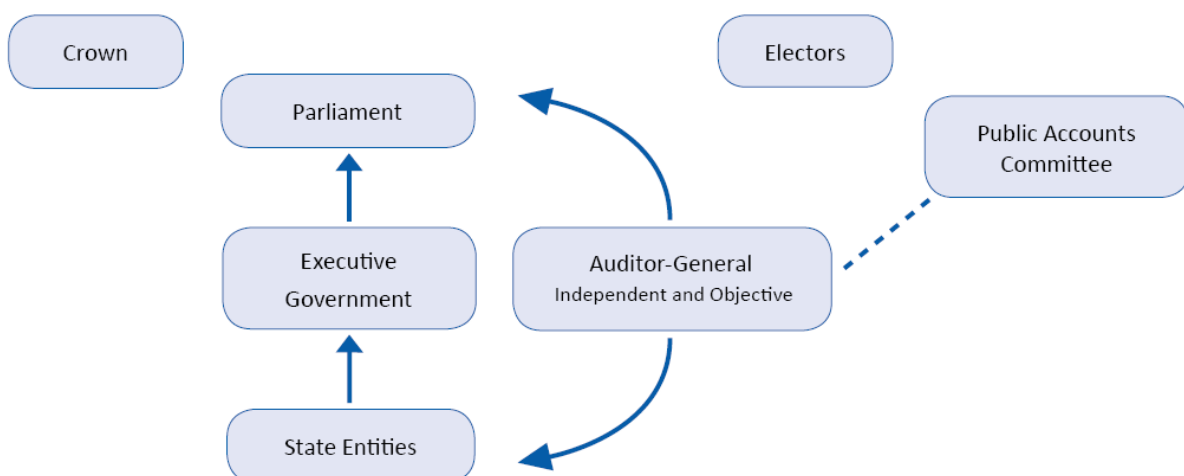
The Auditor-General's roles and responsibilities are set out in the *Audit Act 2008* (Audit Act). The Tasmanian Audit Office is the agency that provides support and services to the Auditor-General.

The primary responsibility of the Auditor-General and Tasmanian Audit Office is to conduct financial or 'attest' audits of the annual financial reports of State entities, audited subsidiaries of State entities and the Treasurer's Annual Financial Report reporting on financial transactions in the Public Account, the General Government Sector and the Total State Sector. The aim of a financial audit is to enhance the degree of confidence in the financial statements by expressing an opinion on whether they present fairly, or give a true and fair view in the case of entities reporting under the *Corporations Act 2001*, in all material respects, the financial performance and position of State entities and were prepared in accordance with the relevant financial reporting framework. The outcomes of the audits of State entities and audited subsidiaries of State entities are reported to Parliament each year.

The Auditor-General and Tasmanian Audit Office also conduct examinations and investigations, which include performance and compliance audits. Performance audits examine whether a State entity is carrying out its activities effectively and doing so economically and efficiently. Audits may cover all or part of a State entity's operations, or consider particular issues across a number of State entities. Compliance audits are aimed at ensuring compliance by State entities with directives, regulations and appropriate internal control procedures.

Where relevant, the Treasurer, a Minister or Ministers, other interested parties and accountable authorities are provided with opportunity to comment on any matters reported. Where they choose to do so, their responses, or summaries thereof, are included within the reports.

The Auditor-General's Relationship with the Parliament and State Entities



29 June 2021

Chair, Parliamentary Standing Committee of Public Accounts
President, Legislative Council
Speaker, House of Assembly
Parliament House
HOBART TAS 7000

Dear Chair, President and Speaker,

Auditor-General's Annual Plan of Work 2021-22

In accordance with section 11 of the *Audit Act 2008*, I submit my annual plan of work for the 2021-22 financial year.

Yours sincerely

A solid black rectangular box used to redact the signature of Rod Whitehead.

Rod Whitehead
Auditor-General

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Auditor-General's reports and other reports published by the Office can be accessed via the Office's website. For further information please contact:

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ISBN: 978-0-6450792-2-7

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Introduction by the Auditor-General

Pursuant to section 11 of the *Audit Act 2008* (the Act) by 30 June each year I am required to prepare and present to the Parliamentary Standing Committee of Public Accounts (Committee) an Annual Plan (Plan) that describes the audit work program for the coming financial year. This provides the Tasmanian Parliament, the Tasmanian public sector and the community with an opportunity to understand our audit priorities for 2020-21.

The Plan is a key accountability document for the Tasmanian Audit Office (the Office). It is my statement of intent on what we will audit or examine during the forthcoming year and the reports we expect to table in Parliament.

In developing the Plan we continuously monitor issues and developments across the public sector and we consult extensively with relevant stakeholders throughout the year. In exercising my discretionary power to undertake audits, I am conscious our audit reports need to be of relevance to Parliamentarians and the community.

Last year, my draft plan was presented to the Committee on 26 March 2020. By June 2020, when I presented my Plan to Parliament, the effects of COVID-19 were felt in Tasmania. The final Plan was changed to focus on the public sectors response and recovery from the impacts of COVID-19.

This Plan is comprised of many of the audits that were initially planned for 2020-21. As the public sector adapts to the long-term impacts and changes caused by COVID-19, focus is returned to other areas where we can ensure trust and confidence in the public sector.

As in past years, the Plan represents an ambitious schedule of work across a broad spectrum of subject areas. I am confident that the talented, experienced and dedicated staff of the Office will strive to deliver on the commitment outline in the Plan.

Finally, I thank Parliamentarians and other stakeholders who have engaged with me to help me formulate the 2021-22 plan of work.



Rod Whitehead
Auditor-General

29 June 2021

Planned reporting to Parliament

Report	Planned tabling
Performance audits – current audits	
COVID-19: Stimulus measures and targeted financial support payments and expenditures (measures funded through the Community Support Fund)	Aug 2021
COVID-19 - Responding to social impacts (Tasmanian Government's processes to identify and agree the high priority social impacts to address resulting from the pandemic)	Sep 2021
Council general manager's recruitment, appointment and performance assessment	Sep 2021
Performance audits to commence in 2021-22	
Accessing services for the safety and wellbeing of children and young people – the Strong Families, Safe Kids Advice and Referral Line	2021-22
Improving outcomes for senior secondary students in Tasmanian government schools	2021-22
COVID-19 - Responding to social impacts (Effectiveness of the Tasmanian Government's allocation and monitoring of the use of resources to address high priority social impacts of the pandemic - digital access to services and the impact on the mental health of the population)	2021-22
COVID-19 - Responding to social impacts (Effectiveness of the Tasmanian Government's allocation and monitoring of the use of resources to address high priority social impacts of the pandemic - housing security and homelessness)	2021-22
Procurement in Local Government (Report Three)	2021-22
Pre-construction management of significant projects by the University of Tasmania	2022-23
Follow up of selected audits	2022-23
Performance audits to commence in 2022-23	
Access to mental health services	2022-23
Management of department office accommodation	2022-23
Community services: grants and contracted services	2022-23
Effectiveness of shared services in the General Government Sector	2022-23

Report	Planned tabling
Performance audits to commence in 2022-23 (continued)	
Review of digital projects	2023-24
Managing landfill	2023-24
Private works undertaken by councils	2023-24
Financial audits	
Report on the audit of financial statements of State entities and audited subsidiaries of state entities	Annually
Tasmanian Audit Office accountability reports	
Annual report	Annually
Annual plan of work	Annually

Role of the Auditor-General

The role of the Auditor-General is to provide independent assurance to the Tasmanian Parliament and the community on the performance and accountability of the Tasmanian public sector. We do this primarily by undertaking financial audits, performance audits and other examinations and investigations of State entities and reporting to the Parliament on the outcomes from those audits, examinations or investigations. State entities themselves are accountable to Parliament for their use of public resources and the powers conferred on them by Parliament.

Audit mandate

The Act is the principal legislation governing and guiding the Auditor-General and the Office. It establishes the Auditor-General's mandate and provides the legal basis for the powers and functions of the Auditor-General.

The key responsibility of the Auditor-General is to audit the financial statements of State entities and to report the results of those audits to Parliament. In addition, the Auditor-General must audit the Public Account Statements and any other statements prepared by the Treasurer in accordance with any written law.

The Act also provides the Auditor-General with the authority to undertake:

- performance audits examining the efficiency, effectiveness and economy of a State entity, a number of State entities, or a part of a State entity or a subsidiary of a State entity
- compliance audits examining compliance by a State entity, or a subsidiary of a State entity, with written laws or its own internal policies
- examinations or investigations into any matter relating to the accounts or accounting and financial management information systems of the Treasurer, a State entity or a subsidiary of a State entity
- investigations into any matter relating to public money, other money, public property or other property
- examinations of the performance and exercise of the Employer's functions and powers under the *State Service Act 2000*.

Other audits can also be undertaken by arrangement.

Reporting responsibilities

The Act prescribes our reporting responsibilities, which include:

- the provision of audit reports expressing an opinion on the financial statements of State entities and management letters conveying audit findings to the relevant State entity's responsible Minister and relevant accountable authority

- reporting to Parliament on or before 31 December in each year on the audits of the financial statements of State entities and audited subsidiaries in respect of the preceding financial year
- reporting, at the discretion of the Auditor-General, the outcomes of performance or compliance audits, examinations or investigations, to the Parliament, or the Committee or the Joint Standing Committee on Integrity.

Improving public sector performance and accountability

To facilitate improvement in public sector performance, we engage with stakeholders to share our audit findings and to encourage State entities to act on audit recommendations. This includes briefings and presentations to a broad range of stakeholders, including Members of Parliament, the Committee, heads of departments, State entity executive management, chairs of boards and audit committees, mayors and general managers of councils and other integrity bodies.

We also communicate findings of audits through presentations, media releases, media interviews, and submissions to inquiries and reviews. We also provide information on our website (www.audit.tas.gov.au), including reports and presentation summaries.

We continue to facilitate information sessions for:

- members of audit committees and senior executives in State entities to keep them abreast of developments in governance, foster a better understanding of the relationship between audit committees and the Office and to provide an opportunity for the exchange of ideas and networking
- State entity corporate, accounting and internal audit staff to ensure they are kept aware of relevant changes in financial reporting requirements and other recent developments impacting financial management and auditing.

Given our unique perspective on the regulatory and policy framework governing the accountability of the Tasmanian public sector, we regularly draw on our experience, expertise and research to contribute to the development of audit and accountability policy in the Tasmanian public sector, including reforms to legislation, regulation and standards. This takes the form of submissions to relevant Parliamentary or government inquiries, meetings with representatives of State entities developing policy on audit and accountability issues and providing comments on exposure drafts of new accounting and auditing standards relevant to the public sector. These activities help to increase the impact of our audits, enhancing the relevance of the audit function to the Parliament and the community.

Performance audit program

Selecting performance audits

The annual planning process for the selection of performance audits involves three distinct phases:

- identifying potential performance audits
- selecting performance audits to be undertaken
- consultation with the Committee.

Identifying potential performance audits

Given the available resources of the Office, potential performance audits are not selected on a sector, themed or focus area basis. Instead, potential audits are identified where they involve:

- areas where there are known or suspected problems
- areas of significance or high inherent risk to State entities or the Tasmanian public sector more broadly
- areas believed to be performing particularly well, in order to highlight success and the factors that contribute to it.

Potential performance audits are identified from intelligence gathering processes, which include:

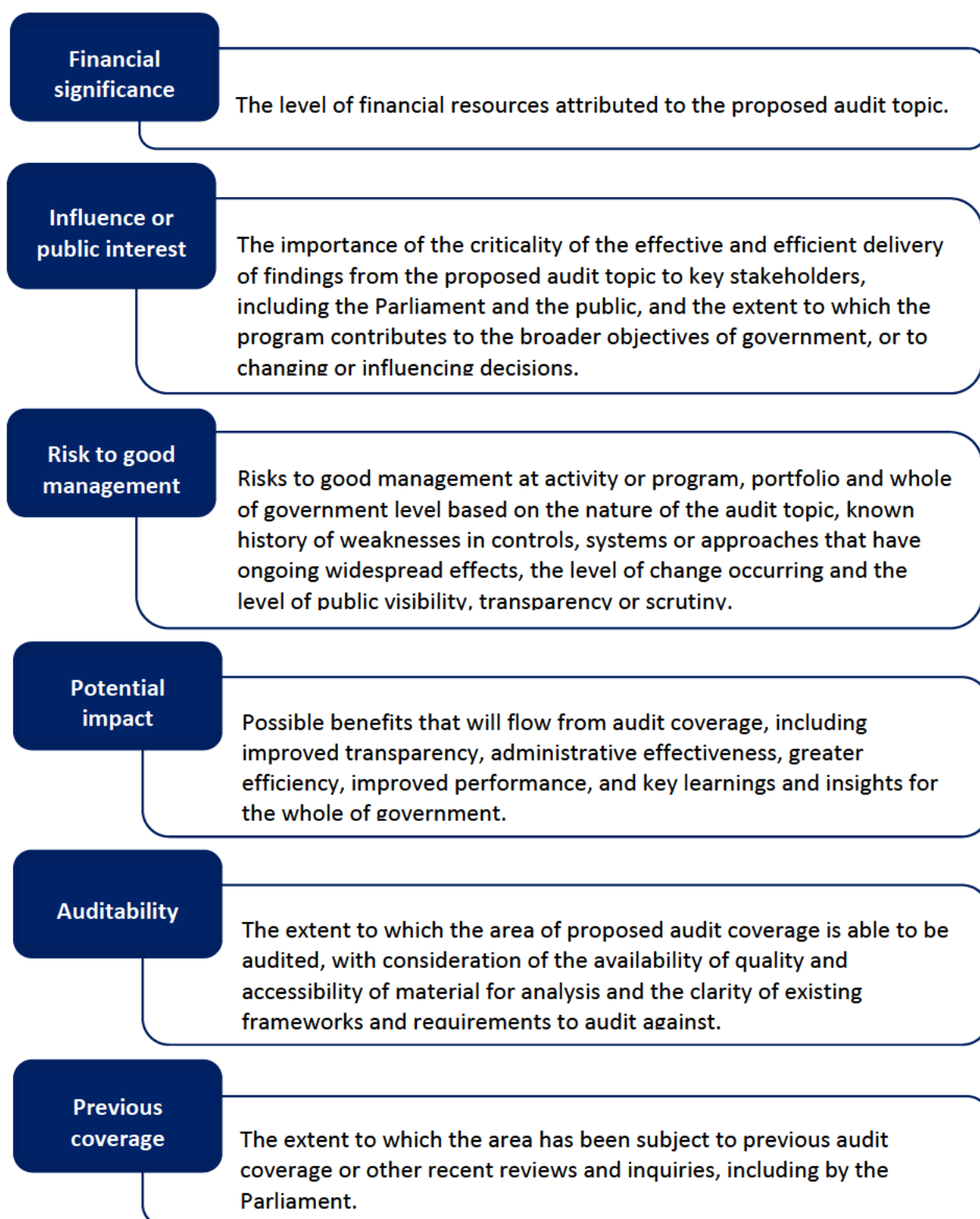
- scanning the environment to identify key developments, risks and challenges to public administration, internationally, nationally, and at state and local government levels
- monitoring agencies' operations and performance through our financial audit activity
- consulting Parliament, public sector entities, integrity agencies and other relevant stakeholders
- monitoring referrals received suggesting matters for possible audit consideration.

Selecting performance audits

Performance audits included in the Plan are selected following an assessment of all potential performance audits and consideration of the balance and coverage of the performance program as a whole across the various portfolios/sectors of government.

The criteria used to assess potential performance audits are shown in Figure 1.

Figure 1: Performance audit assessment criteria



The final selection of performance audits for inclusion in the Plan is at the discretion of the Auditor-General and includes consideration of the balance and coverage of the performance program as a whole across the various portfolios and sectors of government.

Consultation with the Committee

As required under the Act, a draft of the Plan is presented to the Committee for review and comment. The Auditor-General is required to finalise Plan before 30 June each year after considering any comments received from the Committee. The Plan must include the nature of any changes suggested by the Committee that the Auditor-General has not adopted.

On 26 March 2021, the Governor of Tasmania prorogued the forty-ninth Parliament, which resulted in the dissolution of the Committee. Consequently, the draft Plan was provided to the Secretary of Committee on 30 March 2021.

The Committee was appointed during the first session of the Fiftieth Parliament on 22 June 2021. The Auditor-General met with the Committee on 23 June 2021 to discuss the draft Plan, with the Committee providing their endorsement of the Plan to the Auditor-General on 24 June 2021.

Delivering performance audits

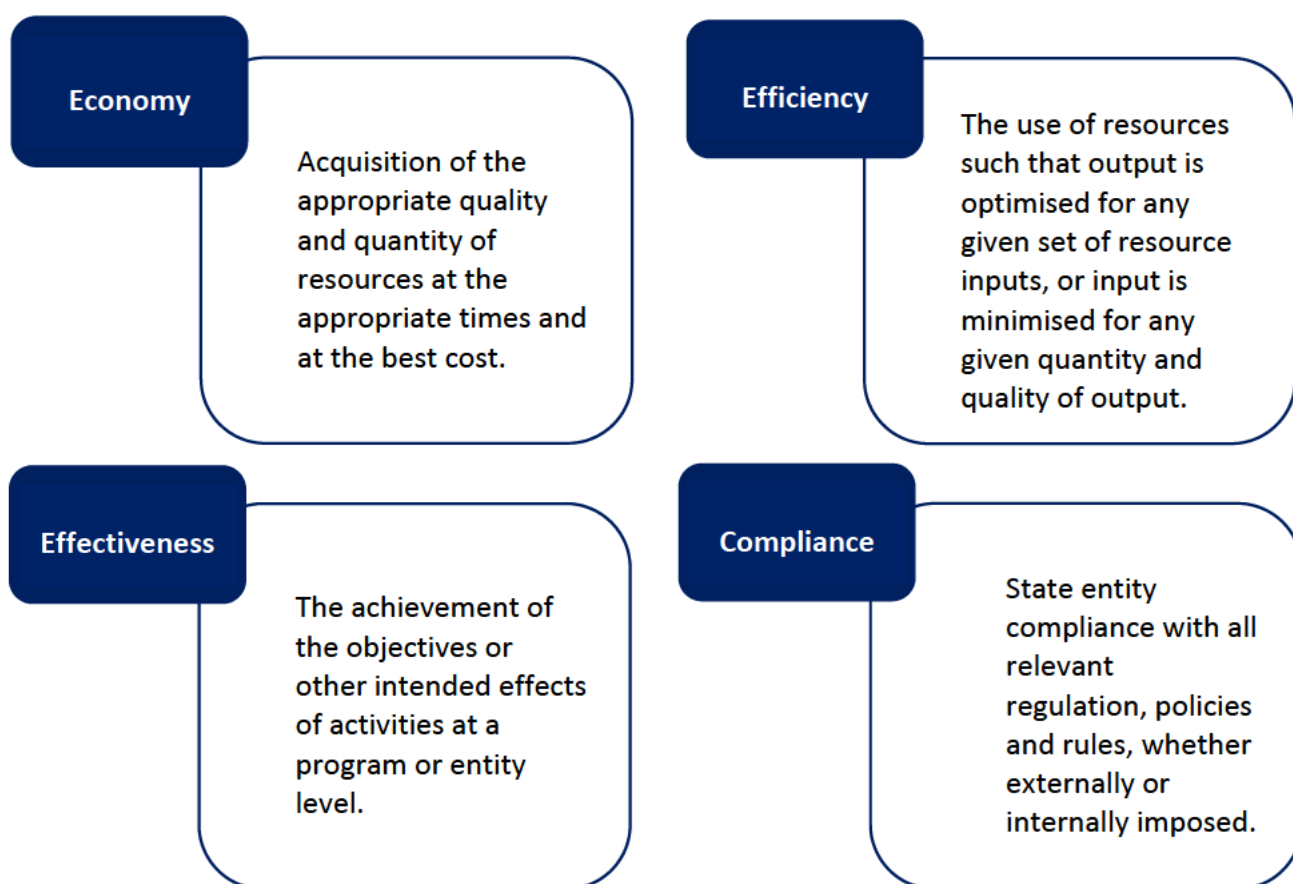
Performance audits are conducted in accordance with relevant standards issued by the Australian Auditing and Assurance Standards Board. These standards cover planning, conduct, evidence, communication, reporting and other elements of performance audits.

Our performance audits are typically delivered by our staff, however, we periodically engage subject matter experts to advise our performance audit teams on complex and technical issues. We also use contracted audit service providers to supplement our staff resources where required.

Performance audits are designed and conducted to provide 'reasonable assurance', although a performance review may provide a 'limited assurance' opinion if it is determined that, as a result of the less extensive nature of the audit, the acceptable risk associated with the findings is higher than for a reasonable assurance engagement.

To reach conclusions against our audit objectives, we determine criteria against which to assess agency performance. We develop our audit criteria in accordance with relevant standards issued by the Australian Auditing and Assurance Standards Board and in consultation with the audited State entities. Figure 1 illustrates the types of criteria commonly included in performance audits.

Figure 2: Types of criteria commonly included in performance audits



We are committed to conducting follow-up audits to monitor State entity progress in implementing recommendations from previous performance audits and to verify that actions taken by State entities have been effective in addressing the recommendations. Audits selected for follow up exclude those selected for follow up by the Committee.

The performance audit program is not static and is subject to periodic review. Changes in, or delays to, the program can arise primarily from:

- the identification of a higher priority audit or examination undertaken at the discretion of the Auditor-General
- an audit or examination undertaken at the request of the Committee, Treasurer, Ombudsman or Integrity Commission
- an audit or examination undertaken in collaboration with the Auditor-General of the Commonwealth or another State or a Territory
- reviews undertaken by State entities or other third parties
- resource constraints.

Normally, audits and examination planned but not commenced in the one year will be 'rolled over' into the Plan of the following year where they continue to be relevant. In some cases, following further consideration, audits may be removed from the Plan.

Performance audit outputs

Acquittal of the 2020-21 performance audit program

An acquittal of the planned 2020-21 performance audit program, as communicated in the Annual Plan of Work 2020-21, is provided in Table 1.

Table 1: Performance audit reports tabled in 2020-21

Audit project	Commencement		Tabled in Parliament	
	Planned	Actual	Planned ¹	Actual/ Expected
Management of under-performance in the General Government Sector	May 2019	May 2019	May 2020	Aug 2020
Effectiveness of internal audit	Nov 2019	Nov 2019	May 2020	Aug 2020
Expressions of interest for tourism investment opportunities	Apr 2019	Apr 2019	Oct 2019	Sep 2020
Management of the State road network	May 2019	May 2019	Mar 2020	Dec 2020
Information and communications technology strategy, critical systems and investment	Apr 2019	Apr 2019	Mar 2020	Oct 2020
Procurement in Local Government (Report Two)	Dec 2019	Dec 2019	Oct 2020	Dec 2020
Review of selected COVID-19 support measures and expenditure in 2019-20	Jul 2020	Jul 2020	Dec 2020	Oct 2020
COVID-19 Support Measures – Small Business Hardship Grant program	Jul 2020	Oct 2020	Dec 2020	Feb 2021
COVID-19 - Pandemic response and mobilisation	Jul 2020	Jul 2020	Dec 2020	Mar 2021
COVID-19 Support Measures – Payroll Tax Waiver	Jul 2020	Jan 2021	Dec 2020	Jun 2021
COVID-19 - Allocation, distribution and replenishment of Personal Protective Equipment	Jul 2020	Jul 2020	Dec 2020	Jun 2021
COVID-19 Support Measures – Measures administered by the Department of Communities Tasmania	Jul 2020	Feb 2021	Dec 2020	Aug 2021 ²
COVID-19 - Responding to social impacts	July 2020	Jan 2021	May 2021	Jun 2022 ^{2,3}

Notes

1. Initial planned tabling date on commencement of audit
2. Planned tabling date
3. This report will be tabled as three separate volumes with the final volume expected to be tabled in June 2022.

Planned reporting to Parliament

Performance audits in progress and performance audits to be commenced in 2021-22 and 2022-23 are listed in Table 2.

Table 2: Performance audits in progress and to be commenced in 2021-22 and 2022-23

Report	Planned tabling
Performance audits – current audits	
COVID-19: Stimulus measures and targeted financial support payments and expenditures (measures funded through the community support Fund)	Aug 2021
COVID-19 - Responding to social impacts (Tasmanian Government's processes to identify and agree the high priority social impacts to address resulting from the pandemic)	Sep 2021
Council general manager's recruitment, appointment and performance assessment	Sep 2021
Performance audits to commence in 2021-22	
Effectiveness of the Department of Communities Tasmania's Strong Families, Safe Kids Advice and Referral Line	2021-22
Improving outcomes for senior secondary students in Tasmanian government schools	2021-22
COVID-19 - Responding to social impacts (Effectiveness of the Tasmanian Government's allocation and monitoring of the use of resources to address high priority social impacts of the pandemic - digital access to services and the impact on the mental health of the population)	2021-22
COVID-19 - Responding to social impacts (Effectiveness of the Tasmanian Government's allocation and monitoring of the use of resources to address high priority social impacts of the pandemic - housing security and homelessness)	2021-22
Procurement in Local Government (Report Three)	2021-22
Pre-construction management of significant projects by the University of Tasmania	2022-23
Follow up of selected audits	2022-23

Report	Planned tabling
Performance audits to commence in 2022-23	
Access to mental health services	2022-23
Management of department office accommodation	2022-23
Community services: grants and contracted services	2022-23
Effectiveness of shared services in the General Government Sector	2022-23
Review of digital projects	2023-24
Managing landfill	2023-24
Private works undertaken by councils	2023-24

Further details of performance audits in progress and yet to be commenced are provided in Appendix 1.

Financial audit program

Delivering financial audits

Under the Act, State entities must submit financial statements that are complete in all material respects to the Auditor-General within 45 days of the end of each financial year (that is, 14 August for 30 June year ends and 14 February for 31 December year ends). The Office must then audit the financial statements and issue an audit report outlining compliance with relevant legislation and the applicable financial reporting framework within 45 days of receipt of the submitted financial statements.

Financial audits are performed in accordance with Australian Auditing and Assurance Standards issued by the Australian Auditing and Assurance Standards Board. Whilst not a legislative requirement, when conducting annual financial audits, we give regard to probity considerations related to the management or use of public resources.

Financial audits are conducted by either financial audit staff of the Office or contracted audit service providers. All audits conducted with the assistance of contracted audit service providers are subject to project management and quality assurance review by the Office and all audit opinions are issued by the Auditor-General or an authorised delegate.

Our audit portfolio management objective is to achieve a balanced allocation of audits between our staff and contracted audit service providers. This allocation takes into consideration our financial budget and staff resources. Our resourcing decisions also take into account the level of highly specialised technical skills or expertise required in an audit which may not currently exist within our Office. In instances where it is not practical or viable to build this expertise internally, external specialists are contracted to provide this capability.

Opinions on financial statements of State entities

The Auditor-General, including authorised delegates, issues audit opinions on whether the financial statements of State entities fairly present, or give a true and fair view of, their financial position and performance for the year in accordance with applicable Australian Accounting Standards and the relevant legislative reporting framework.

Opinion on the Annual Financial Report of the State of Tasmania

The Treasurer's Annual Financial Report (TAFR) presents the consolidated financial position and performance of the Total State and the General Government Sector. It also includes the Public Account statement comprising receipts and expenditure of the General Government Sector that do not form part of a Specific Purpose Account or an Agency Trust Account, and any Specific Purpose Accounts. The TAFR is a key accountability document for informing Parliament and the public. The Act requires the Auditor-General to express an opinion as to whether the TAFR is fairly presented in accordance with the *Financial Management Act 2016* and applicable Australian Accounting Standards.

Parliamentary reports on results of financial audits

At the conclusion of each audit cycle, the Office tables a report in Parliament on the results of our audits of State entities' financial statements and our audit of the TAFR. Our report includes comments on selected areas of focus covering key elements of financial and asset management and governance.

We aim to table the report in November each year. Where this is not achievable, we table the report as soon as is practicable after the last sitting period. Each tabling is followed by a presentation to Parliamentarians to provide them with a summary of the report and to highlight matters of importance. Where the report is finalised and tabled out of session, we offer presentations to members of Parliament in both the north and south of the State.

Audits by arrangement

Under the Act we have the ability to conduct audits and provide other services of a kind commonly performed by auditors. We undertake audits by arrangement covering:

- audits required by regulatory authorities
- audits of council special committees
- grant acquittals.

Financial audit outputs

We will continue to deliver a diverse range of financial audit and assurance services in 2020-21 pursuant to the Act. Table 3 provides an overview of those activities and any other applicable legislative frameworks.

Table 3: Financial audits and assurance activities expected to be conducted in 2021-22

2021-22	Number
Financial statement audits¹	
<i>Financial Management Act 2016</i>	26
<i>Local Government Act 1993</i>	39
<i>Corporations Act 2001</i>	13
<i>Government Business Enterprises Act 1995</i>	6
Other legislation or reporting frameworks	38
Total financial statement audits	122

2021-22	Number
Parliamentary report	
Report on the audit of financial statements of State entities and audited subsidiaries of state entities 31 December 2020 and 30 June 2021	2
Other audits	
Audits by arrangement, including regulatory audits	8
Funding acquittals ²	68

Notes

1. The number of audits conducted varies each year due to changes in the number of public sector entities and the level of audit dispensation provided.
2. Based on 2019-20 data. Acquittals are only conducted if required under agreements related to specific funding programs.

Our financial audit program is dynamic, reflecting changes such as the creation of new State entities and the cessation of others, including the impacts of machinery of government changes in the composition of portfolio departments and associated entities. As such, the number of audit and assurance activities we conduct can change throughout the year and over time in accordance with changes in the number of public sector entities.

Acronyms and abbreviations

Act	<i>Audit Act 2008</i>
ARL	Strong Families, Safe Kids Advice and Referral Line
Committee	Parliamentary Standing Committee of Public Accounts
EPA	Environmental Protection Authority
ICT	Information and communications technology
NGO	Non-government organisation
Office	Tasmanian Audit Office
OOHC	Out of home care
Plan	Annual plan describing the Auditor-General's proposed work program for the following financial year
State	State of Tasmania
TAFR	Treasurer's Annual Financial Report
University	University of Tasmania

Appendix 1: Details of performance audits

Performance audits in progress

COVID-19: Stimulus measures and targeted financial support payments and expenditures (measures funded through the Community Support Fund)

Department of Communities Tasmania

COVID-19 social and economic support measures announced by the Tasmanian Government represent direct expenditure, the removal of the efficiency dividend requirements for agencies, funding set aside for loans, reductions in State revenues, and grants provided directly to those who are needing them the most during this uncertain time. Total support to the community is estimated to be in excess of \$1bn.

This fourth and last instalment of our work on stimulus measures and targeted financial support payments and expenditures will assess whether selected measures administered by the Department of Communities Tasmania were managed effectively. This review will examine the process of allocating funding and the controls in place to ensure that funding was provided to individuals and organisations that were eligible for funding.

COVID-19 - Responding to social impacts (Tasmanian Government's processes to identify and agree the high priority social impacts to address resulting from the pandemic)

Department of Communities Tasmania, Department of Police, Fire and Emergency Management, Department of Health, Department of Premier and Cabinet

The COVID-19 pandemic has affected all parts of the population but has been particularly detrimental to members of those social groups who are most vulnerable, for example, children and young people, older people, people with disabilities and people who were already living in poverty.

The Australian and Tasmanian Governments recognised early on a response was required to address the most severe immediate impacts of the pandemic, caused not only by the impact on people's health, but the wider social impacts resulting both from the virus and the suppression measures.

The audit will assess the effectiveness of the arrangements put in place by the Tasmanian Government to identify and address the high priority social impacts of the pandemic. The audit will be undertaken as three separate components

This stage of the audit will assess how robust were the Tasmanian Government's processes to identify and agree high priority social impacts to address resulting from the pandemic.

Council general manager recruitment, appointment and performance assessment

Selected councils

The audit will examine recruitment, appointment and performance assessment of council general managers, including reappointments. Specifically, the audit will assess whether:

- recruitment and appointment processes were in line with established guidance and contemporary human resources practice
- processes to review general manager performance effective
- decisions to reappoint general managers were informed by performance assessments.

The audit scope will include six councils who have recently recruited general managers and a further six councils whose general managers have been in the role in excess of three years to examine performance assessment and reappointment.

Performance audits to commence in 2021-22

Effectiveness of the Department of Communities Tasmania's Strong Families, Safe Kids Advice and Referral Line

Department of Communities Tasmania

The Department of Communities Tasmania has altered the focus of Child Protection from a 'remove child once assessed as at risk' scenario to preserve family unit using a number of early interventions and only remove a child when all other options have been exhausted. A key platform to the reforms was the introduction of the 'single front door', the Strong Families, Safe Kids Advice and Referral Line (ARL), as the entry point for all types of reporting (including mandatory reporting), requests for support and advice.

This audit will assess:

- whether the ARL, as the primary point of access, has been effective in providing access to appropriate services to support the safety and wellbeing of children
- whether the plans for the introduction of the ARL have been efficiently and effectively implemented
- whether the ARL is operating effectively to achieve better access to services for the safety and welfare of children
- whether the Department of Communities Tasmania knows whether it is achieving the objectives of the ARL.

Improving outcomes for senior secondary students in Tasmanian government schools

Department of Education

In an attempt to improve Year 12 retention rates the Government has implemented a policy to extend all Government high schools to years 11 and 12 by 2022. As at the commencement of the school year in 2021, Years 11 and 12 was offered at all but one of the Government's 56 high schools, district schools and special schools, with the last remaining high school, Tarooma High, to commence offering Year 11 and 12 subjects from 2022. Also, in part to address access and participation in education, the Government passed the *Education Act 2016* (the Education Act). The Education Act changed the minimum leaving requirements to one of completion of Year 12, a Certificate III in vocational training, or attaining the age of 18, whichever occurred first. The Government hoped these reforms would improve Tasmania's retention and attainment rates.

This audit will examine the effectiveness of this policy in increasing access and choices to education for students in years 11 and 12. The audit will examine the impact in improving educational attainment, life choices and opportunities for these students and will also assess the success of the Department of Education in working in partnership with a range of education and training providers to achieve a supportive and comprehensive education framework that caters for all abilities.

COVID-19 - Responding to social impacts (Effectiveness of the Tasmanian Government's allocation and monitoring of the use of resources to address high priority social impacts of the pandemic- digital access to services and the impact on the mental health of the population)

Department of Communities Tasmania, Department of Police, Fire and Emergency Management, Department of Health, Department of Premier and Cabinet

The COVID-19 pandemic has affected all parts of the population but has been particularly detrimental to members of those social groups who are most vulnerable, for example, children and young people, older people, people with disabilities and people who were already living in poverty.

The Australian and Tasmanian Governments recognised early on a response was required to address the most severe immediate impacts of the pandemic, caused not only by the impact on people's health, but the wider social impacts resulting both from the virus and the suppression measures.

The audit will assess the effectiveness of the arrangements put in place by the Tasmanian Government to identify and address the high priority social impacts of the pandemic. The audit will be undertaken as three separate components

This stage of the audit will assess the effectiveness of the Tasmanian Government's allocation and monitoring of the use of resources to address high priority social impacts of the pandemic related to digital access to services and the impact on the mental health of the population.

COVID-19 - Responding to social impacts (Effectiveness of the Tasmanian Government's allocation and monitoring of the use of resources to address high priority social impacts of the pandemic- housing security and homelessness)

Department of Communities Tasmania, Department of Police, Fire and Emergency Management, Department of Health, Department of Premier and Cabinet

The COVID-19 pandemic has affected all parts of the population but has been particularly detrimental to members of those social groups who are most vulnerable, for example, children and young people, older people, people with disabilities and people who were already living in poverty.

The Australian and Tasmanian Governments recognised early on a response was required to address the most severe immediate impacts of the pandemic, caused not only by the impact on people's health, but the wider social impacts resulting both from the virus and the suppression measures.

The audit will assess the effectiveness of the arrangements put in place by the Tasmanian Government to identify and address the high priority social impacts of the pandemic. The audit will be undertaken as three separate components

This stage of the audit will assess the effectiveness of the Tasmanian Government's allocation and monitoring of the use of resources to address high priority social impacts of the pandemic related to housing security and homelessness.

Procurement in Local Government (Report Three)

Selected councils

This compliance audit will assess whether councils undertake procurement of goods and services in accordance with the:

- Local Government Act 1993
- Local Government (General) Regulations 2015
- council's Code for Tenders and Contracts
- council's internal policies, procedures and manuals.

Pre-construction management of significant projects by the University of Tasmania

University of Tasmania

The University is undertaking an ambitious program of significant building developments which include Southern and Northern Campus relocation projects and future southern campus relocation to the Hobart CBD.

This audit will examine how the University informs the business case for construction projects and the engagement and use of consultants and experts during the pre-construction period.

Follow up of audits not covered by the Committee

Various State entities

This follow up examination will assess the extent to which recommendations made in selected tabled audit reports have been implemented.

Performance audits to commence in 2022-23

Access to mental health services

Department of Health, Department of Communities

Tasmania's mental health system is complex and involves many stakeholders including consumers, their families and carers, the State, the Australian Government, community sector organisations, primary health and private providers. It also overlaps with many services and sectors such as alcohol and drug services, disability services, acute services, emergency services, children and youth services, housing, justice, education and employment providers.

This is a complex audit that will assess the extent to which the Tasmanian Government has established an integrated system for consumers and carers where mental health care and support is seamless, smooth and easy to navigate, and whether it has achieved increased timely access to appropriate treatment and support services.

The audit will also assess the extent to which the Tasmanian Government has reduced the reliance on acute, hospital based mental health services by delivering sub-acute and non-acute services through other models of community care and support.

Management of department office accommodation

Treasury

The Property Services Unit of the Department of Treasury and Finance is responsible for the management of department office accommodation arrangements and the disposal of surplus government property. The COVID-19 pandemic instigated a change for many office based workers, including state service employees, many of whom are now working from home on a regular basis. Over 2021-22, it is expected that the need for department accommodation will change, moving towards less dedicated desk space and more private meeting rooms, and overall space requirements may decline.

The audit will look at how economically and effectively changing departmental office accommodation needs are being met. The audit will also assess whether property disposals have been effectively managed.

Community services: grants and contracted services

Department of Communities Tasmania, various non-government organisations

The Department of Communities Tasmania contracts with non-government organisations (NGOs) to deliver patient and client services, primarily related to OOHHC programs. The Department also provides grants for a range of services including disability services, children and youth services and other community grants. Disability grants include payments for carer

support, respite, accommodation support, information, advocacy, education, day support, specialist equipment, personal care, disability gateway services and other individual support services.

This audit will assess how effectively and efficiently Department of Communities Tasmania manages contracts or grants provided to NGOs to deliver community services and whether the services are delivering expected outcomes.

This audit will assess whether:

- for grants provided, Department of Communities Tasmania:
 - has suitable policies and procedures for managing grant expenditure
 - assesses and approves applications in a transparent and equitable manner
 - appropriately monitors and acquits funded projects and activities to confirm that grant moneys were used in accordance with agreed terms for agreed purposes
 - has assessed the effectiveness of its grants programs
- for contract services, Department of Communities Tasmania:
 - has a robust approach to selecting and contracting NGOs to deliver community services
 - ensures quality outcomes are being provided by the NGOs it contracts to deliver services
 - has processes, benchmarks, and quality frameworks in place to assess the outcomes provided by NGOs
 - has processes in place to ensure quality, safety, and compliance with contract requirements of services provided by NGOs.

Effectiveness of shared services arrangements in the General Government Sector

Selected departments

A shared services arrangement facilitates the delivery of back office support services such as accounting, human resources, payroll, information technology, legal, compliance, purchasing and security. The arrangement can allow a number of organisations to share operational tasks, avoid duplication and provide economies of scale.

This audit will assess the effectiveness of selected shared services arrangements by focusing on:

- governance arrangements including planning, oversight and risk management
- mechanisms to ensure the effective delivery of services
- reporting arrangements and review activities provide for ongoing monitoring and continuous improvements to the operation of the shared services arrangement.

Review of digital projects

Selected departments

Information on the status and outcomes of public sector digital initiatives is often difficult to obtain. Most agencies and entities provide little, if any, public information specifying these details. This lack of transparency means that it is difficult to determine whether digital investments have enhanced government services or addressed the problems they were meant to resolve, and whether public resources have been spent in an efficient and effective manner.

This audit will provide a status review of selected public sector ICT projects and initiatives and will examine whether selected departments are appropriately planning, managing and implementing ICT projects in terms of time, cost, benefits realisation and governance.

Managing landfills

Environmental Protection Authority, Department of Primary Industries, Parks, Water and Environment, Selected Councils and Joint Authorities

This audit will examine whether the Environmental Protection Authority's (EPA) current regulatory approach is appropriately administered, is being complied with and has been effective in providing assurance that landfills are not leading to adverse human health and environmental impacts, both currently and for future generations.

This audit will examine the activities of the EPA and a sample of councils and joint authorities that own and operate landfills.

This audit will assess whether:

- EPA effectively administers the regulatory framework for landfills and oversees compliance with it by landfill operators/owners
- active landfills are well operated and managed in accordance with the regulatory framework requirements and guidelines
- closed landfill sites are well managed in accordance with the regulatory framework requirements and guidelines.

Private works undertaken by councils

Selected councils

This examination will assess processes relating to private works undertaken by councils to employees. This will include management oversight and approval processes, determination of amounts to be charged and payment arrangements for work performed.

Audit Mandate and Standards Applied

Mandate

Section 23 of the *Audit Act 2008* states that:

- (1) The Auditor-General may at any time carry out an examination or investigation for one or more of the following purposes:
 - (a) examining the accounting and financial management information systems of the Treasurer, a State entity or a subsidiary of a State entity to determine their effectiveness in achieving or monitoring program results;
 - (b) investigating any matter relating to the accounts of the Treasurer, a State entity or a subsidiary of a State entity;
 - (c) investigating any matter relating to public money or other money, or to public property or other property;
 - (d) examining the compliance of a State entity or a subsidiary of a State entity with written laws or its own internal policies;
 - (e) examining the efficiency, effectiveness and economy of a State entity, a number of State entities, a part of a State entity or a subsidiary of a State entity;
 - (f) examining the efficiency, effectiveness and economy with which a related entity of a State entity performs functions –
 - (i) on behalf of the State entity; or
 - (ii) in partnership or jointly with the State entity; or
 - (iii) as the delegate or agent of the State entity;
 - (g) examining the performance and exercise of the Employer's functions and powers under the *State Service Act 2000*.
- (2) Any examination or investigation carried out by the Auditor-General under subsection (1) is to be carried out in accordance with the powers of this Act

Standards Applied

Section 31 specifies that:

'The Auditor-General is to perform the audits required by this or any other Act in such a manner as the Auditor-General thinks fit having regard to -

- (a) the character and effectiveness of the internal control and internal audit of the relevant State entity or audited subsidiary of a State entity; and
- (b) the Australian Auditing and Assurance Standards.'

The auditing standards referred to are Australian Auditing Standards as issued by the Australian Auditing and Assurance Standards Board.



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