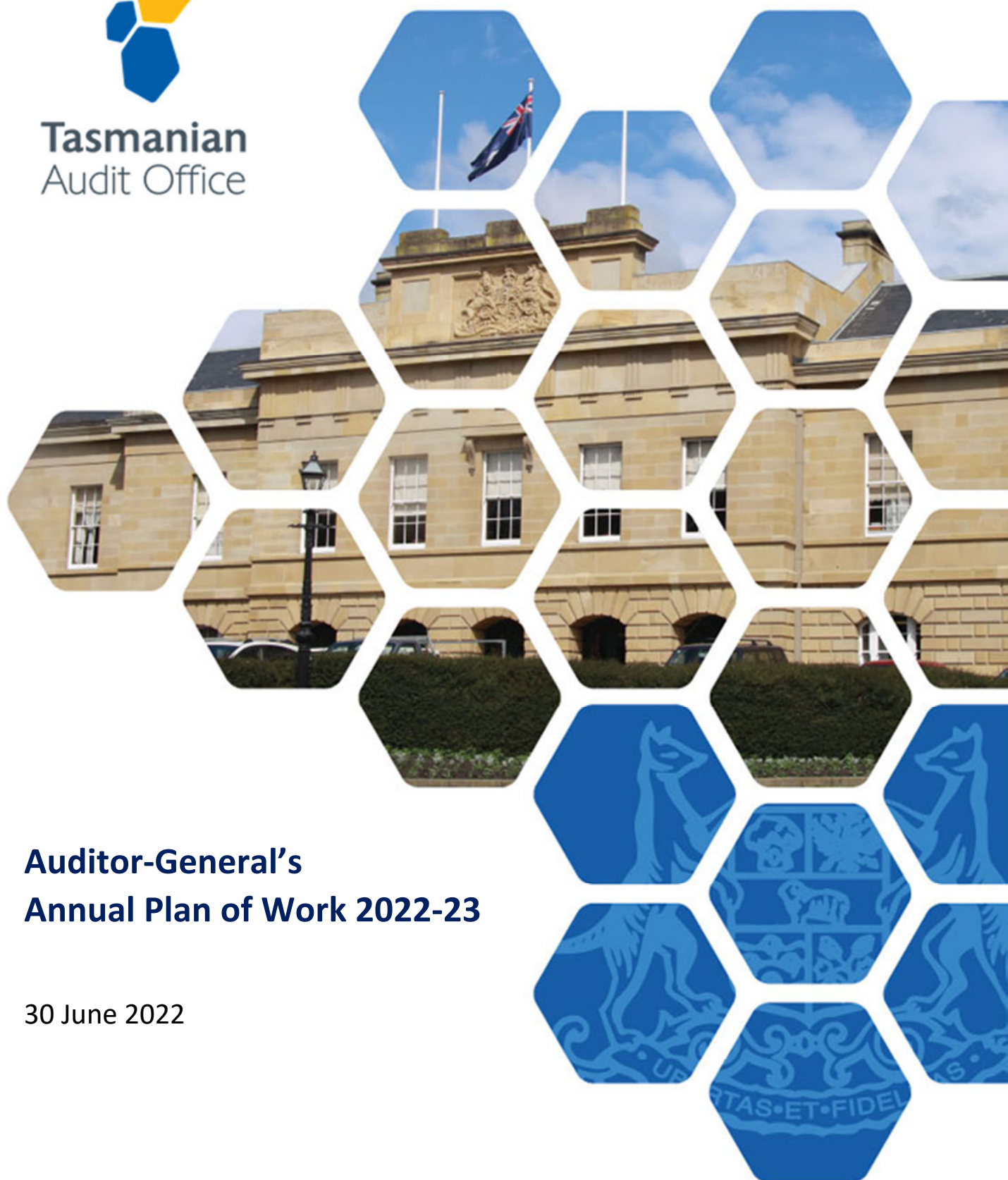




Tasmanian
Audit Office



Auditor-General's Annual Plan of Work 2022-23

30 June 2022

Our role

The Auditor-General and Tasmanian Audit Office are established under the *Audit Act 2008*. Our role is to provide assurance to Parliament and the Tasmanian community about the performance of public sector entities. We achieve this by auditing financial statements of public sector entities and by conducting audits, examinations and investigations on:

- how effective, efficient, and economical public sector entity activities, programs and services are
- how public sector entities manage resources
- how public sector entities can improve their management practices and systems
- whether public sector entities comply with legislation and other requirements.

Through our audit work, we make recommendations that promote accountability and transparency in government and improve public sector entity performance.

We publish our audit findings in reports, which are tabled in Parliament and made publicly available online. To view our past audit reports, visit our [reports](#) page on our website.

Acknowledgement of Country

We acknowledge Tasmanian Aboriginal people as the traditional owners of this Land, and pay respects to Elders past and present. We respect all Tasmanian Aboriginal people, their culture and their rights as the first peoples of this Land. We recognise and value Aboriginal histories, knowledge and lived experiences and commit to being culturally inclusive and respectful in our working relationships with all Aboriginal people.

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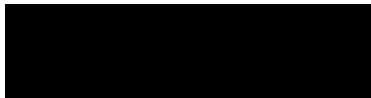
Chair, Parliamentary Standing Committee of Public Accounts
President, Legislative Council
Speaker, House of Assembly
Parliament House
HOBART TAS 7000

Dear Chair, President and Speaker,

Auditor-General's Annual Plan of Work 2022-23

In accordance with section 11 of the *Audit Act 2008*, I submit my annual plan of work for the 2022-23 financial year.

Yours sincerely



Rod Whitehead
Auditor-General

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Introduction by the Auditor-General

Pursuant to section 11 of the *Audit Act 2008* (Audit 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 2022-23.

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, including the Committee, Head of Agencies, Mayors and General Managers of councils, and Chairs and Chief Executive Officers of Government businesses, 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.

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 outlined in the Plan.

Finally, I thank Parliamentarians and other stakeholders who have engaged with me to help me formulate the 2022-23 plan of work.



Rod Whitehead
Auditor-General

30 June 2022

Planned reporting to Parliament

Report	Planned tabling
Performance audits – current audits	
Improving outcomes for senior secondary students in Tasmania	Aug 2022
Strategic procurement in local government	Nov 2022
Follow up of selected audits not covered by the Committee	Nov 2022
Review of digital projects and initiatives	Mar 2023
Performance audits to commence in 2022-23	
Private works undertaken by councils	2022-23
University of Tasmania's management of the Northern Transformation Project	2022-23
Oral Health Services	2022-23
Management of departmental office accommodation	2023-24
Effectiveness of shared services arrangements in the General Government Sector	2023-24
Supporting students with a disability	2023-24
Management of landfill	2023-24
Performance audits to commence in 2023-24	
Follow up of selected audits not covered by the Committee	2023-24
Community services: grants and contract services	2023-24
Strategic contract management	2023-24
Office of the Coordinator-General	2024-25
Outcomes of the Tasmanian Planning Scheme reforms	2024-25
Managing freshwater resources: agriculture	2024-25
Strategic management of port infrastructure	2024-25
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 Audit 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 Audit 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 Audit 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 Government¹ 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.

¹ In this report, a reference to Government refers to the Tasmanian Government unless otherwise stated.

Performance audit program

Selecting performance audits

The annual planning process for the selection of performance audits involves 3 distinct phases:

- identifying potential performance audits
- selecting performance audits to be undertaken
- consultation with the Committee, heads of departments and other stakeholders.

Identifying potential performance audits

Potential audits are identified where they involve areas:

- where there are known or suspected problems
- of significance or high inherent risk to State entities or the Tasmanian public sector more broadly
- 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:

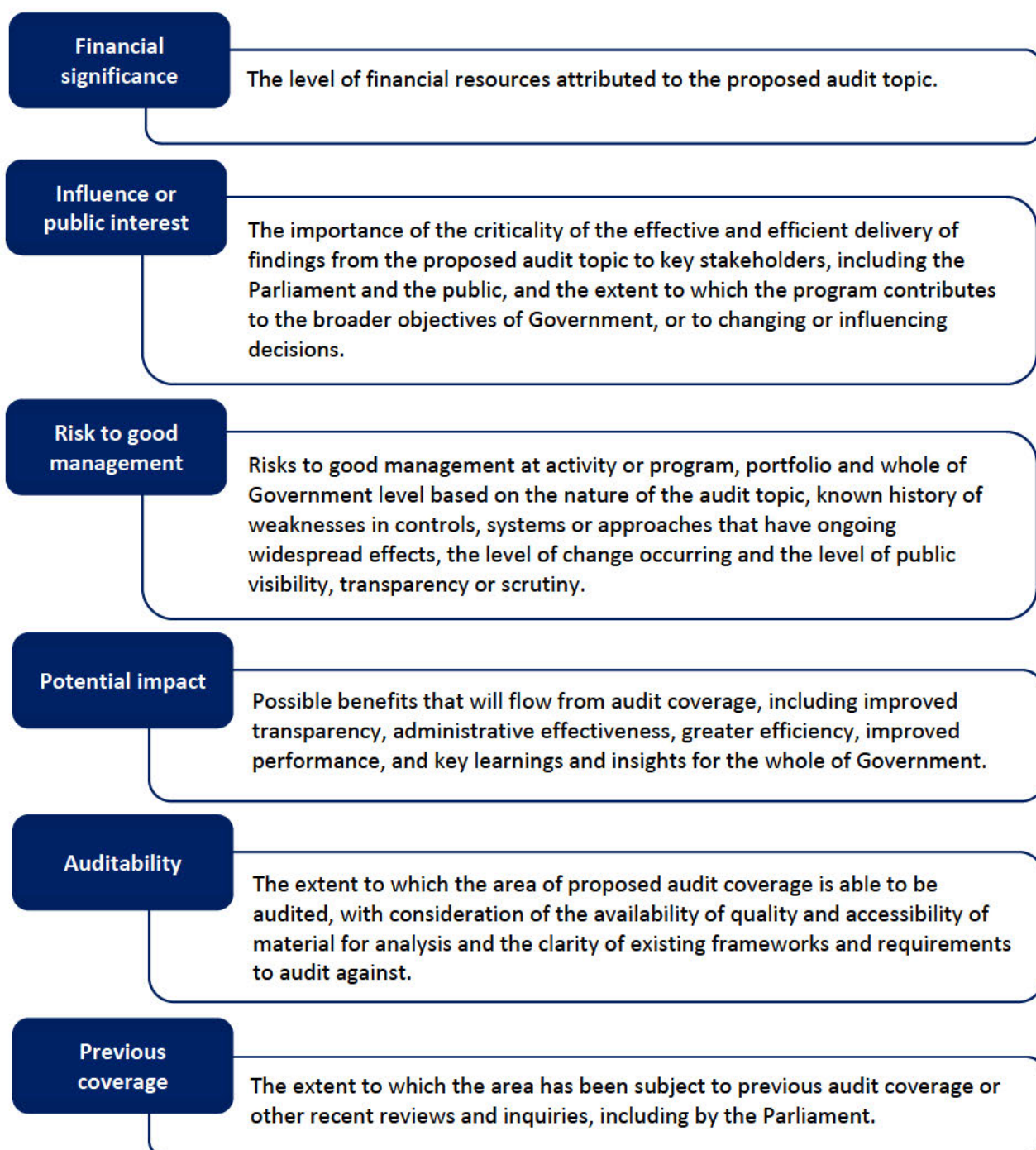
- scanning the environment to identify key developments, risks and challenges to public administration, internationally, nationally, and at state and local government levels
- monitoring agencies' operations and performance through our financial audit activity
- consulting Parliament, public sector entities,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

Selecting performance audits

Performance audits included in the Plan were 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 Audit Act, a draft of the Plan is presented to the Committee for review and comment. The Auditor-General is required to finalise the 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.

The Auditor-General discussed the draft Plan with the Committee on 27 October 2021, 4 April 2022 and 25 May 2022. The Committee endorsed the Plan on 26 May 2022.

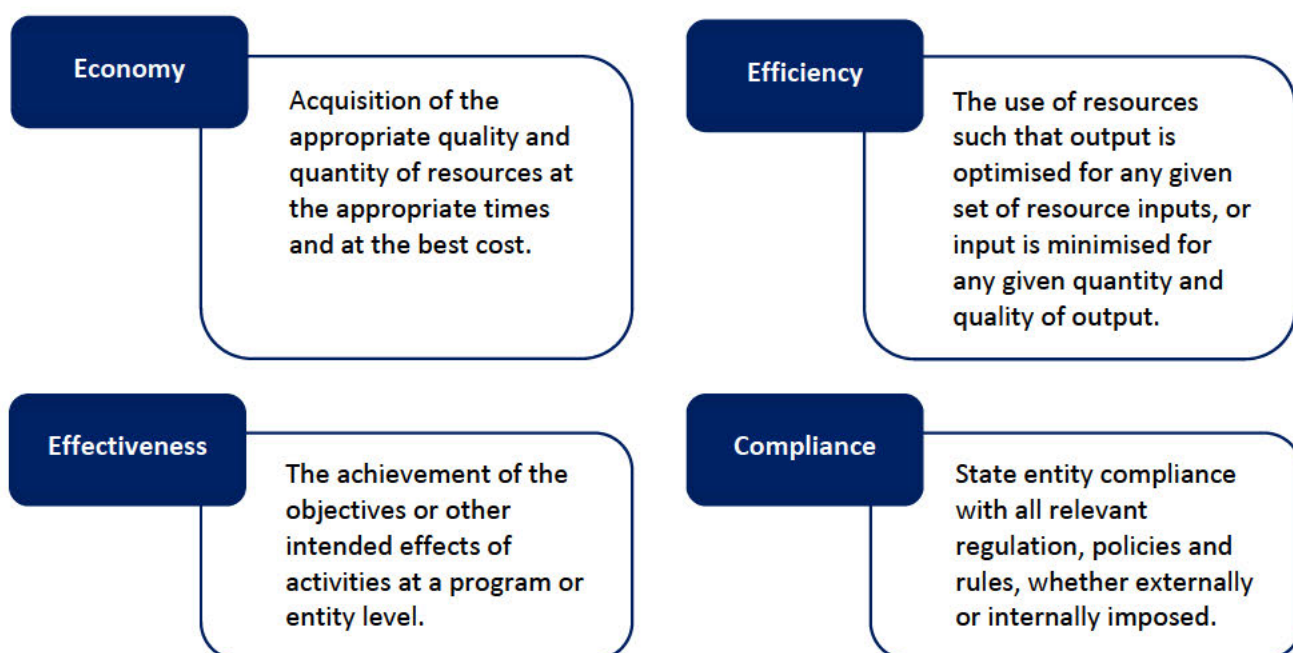
Delivering performance audits

Performance audits are designed and 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. Performance audits provide a 'reasonable assurance' opinion.

Our staff typically deliver performance audits and reviews. However, we periodically engage subject matter experts to advise our engagement teams on complex and technical issues. We occasionally use contracted audit service providers to supplement our staff resources where required.

To reach conclusions against our audit or review objectives, we determine criteria against which to assess agency performance. We develop our criteria in accordance with relevant standards issued by the Australian Auditing and Assurance Standards Board and in consultation with the audited State entities. Figure 2 illustrates the types of criteria commonly included in performance audits and reviews.

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 2021-22 performance audit program

An acquittal of the planned 2021-22 performance audit program, as communicated in the Annual Plan of Work 2021-22, is provided in Table 1.

Table 1: Performance audit reports tabled in 2021-22

Audit Project	Audit Plan finalised	Planned tabling date ¹	Actual/ Expected tabling date
COVID-19 Support Measures – Community Support	Feb 2021	Aug 2021	Aug 2021
Council general manager recruitment, appointment and performance assessment	Nov 2020	Sep 2021	Oct 2021
COVID-19 - Response to social impacts	Jan 2021	May 2021	Nov 2021
Accessing services for the safety and wellbeing of children and young people – the Strong Families, Safe Kids Advice and Referral Line	Jun 2021	Jun 2022	Jun 2022
COVID-19 Response to Social Impacts: mental health and digital inclusion	Oct 2021	Jun 2022	Jun 2022

Audit Project	Audit Plan finalised	Planned tabling date ¹	Actual/ Expected tabling date
COVID-19 - Responding to social impacts: housing security and homelessness	N/a ³	N/a ³	N/a ³
Improving outcomes for senior secondary students in Tasmania	Mar 2021	Jun 2022	Aug 2022 ²
Strategic procurement in local government	Apr 2022	Nov 2022	Nov 2022 ²
Follow up of selected audits not covered by the Committee	Jun 2022	Nov 2022	Nov 2022 ²
Review of digital projects and initiatives	Jun 2022	Mar 2023	Mar 2023 ²

Notes

1. Initial planned tabling date on commencement of audit
2. Planned tabling date
3. Due to the amount of COVID-19 audit work already completed, the Auditor-General decided to undertake a broader audit of homelessness in the future.

Planned reporting to Parliament

Performance audits in progress and performance audits to commence in 2022-23 and 2023-24 are listed in Table 2.

Table 2: Performance audits in progress and to commence in 2022-23 and 2023-24

Report	Planned tabling
Performance audits – current audits	
Improving outcomes for senior secondary students in Tasmania	Aug 2022
Strategic procurement in local government	Nov 2022
Follow up of selected audits not covered by the Committee	Nov 2022
Review of digital projects and initiatives	Mar 2023
Performance audits to commence in 2022-23	
Private works undertaken by councils	2022-23
University of Tasmania's management of the Northern Transformation Project	2022-23
Oral Health Services	2022-23
Management of departmental office accommodation	2023-24

Report	Planned tabling
Effectiveness of shared services arrangements in the General Government Sector	2023-24
Supporting students with a disability	2023-24
Management of landfill	2023-24
Performance audits to commence in 2023-24	
Follow up of selected audits not covered by the Committee	2023-24
Community services: grants and contract services	2023-24
Strategic contract management	2023-24
Office of the Coordinator-General	2024-25
Outcomes of the Tasmanian Planning Scheme Reforms	2024-25
Managing freshwater resources: agriculture	2024-25
Strategic management of port infrastructure	2024-25

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 Audit 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 Audit 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 Audit 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 2022-23 pursuant to the Audit 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 2022-23

2022-23	Number
Financial statement audits¹	
<i>Financial Management Act 2016</i>	24
<i>Local Government Act 1993</i>	39
<i>Corporations Act 2001</i>	15
<i>Government Business Enterprises Act 1995</i>	6
Other legislation or reporting frameworks	37
Total financial statement audits	121

2022-23	Number
Parliamentary report	
Report on the audit of financial statements of State entities and audited subsidiaries of State entities 31 December 2021 and 30 June 2022	2
Other audits	
Audits by arrangement, including regulatory audits and findings acquittals ²	96

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 2020-21 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

Audit Act	<i>Audit Act 2008</i>
Committee	Parliamentary Standing Committee of Public Accounts
Office	Tasmanian Audit Office
Plan	Annual plan describing the Auditor-General's proposed work program for the following financial year
Standards	<i>Disability Standards for Education 2005</i>
State	State of Tasmania
TAFR	Treasurer's Annual Financial Report
University	University of Tasmania

Appendix 1: Details of performance audits

Performance audits in progress

Improving outcomes for senior secondary students in Tasmania

Department of Education

In 2015, the Government began extending all high schools to Years 11 and 12. The last high school to be extended will commence offering Years 11 and 12 in 2022. In addition, the *Education Act 2016*, passed by Parliament in November 2016, increased minimum school leaving requirements to: completion of Year 12; completion of a Certificate III in vocational training; or attaining the age of 18 years. The increased minimum school leaving requirements were in place from 2020. Together, these reforms aim to improve access to and participation and engagement in senior secondary education.

This audit will assess the Department of Education's progress towards implementing education reforms, including whether the Department:

- effectively planned to implement the reforms
- implemented the reforms effectively and efficiently
- sufficiently and appropriately reports on progress and impact of reform implementation.

Strategic procurement in local government

Selected councils

Procurement is the process of acquiring goods and services from external providers. This audit will examine how local government councils derive value out of its procurement that benefits the council, the supplier and the community. It will assess whether councils:

- have a strategic approach to procurement which aligns with the strategic goals and objectives of council
- are choosing the best procurement approach, including how suppliers are engaged and compliance with tendering and quotation requirements
- periodically review procurement processes
- derive and measure value from procurement.

Review of digital projects and initiatives

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 digital projects and initiatives and will examine whether selected departments are appropriately planning, managing and implementing projects in terms of time, cost, benefits realisation and governance.

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

Private works undertaken by councils

Selected councils

Local government councils may undertake private works (which include the supply of council labour, equipment and services) for external parties. This audit will assess the effectiveness of council processes relating to private works undertaken. It will examine whether:

- councils have a private works policy setting out the circumstances under which such works may be undertaken
- decisions to undertake private works are transparent, equitable and consistent
- selected councils' approaches to costing private works are accurate and comprehensive
- administrative arrangements for managing approved private works are effective.

University of Tasmania's management of the Northern Transformation Project

University of Tasmania

The University of Tasmania (University) has been delivering the Northern Transformation Project, in partnership with the Australian and Tasmanian Governments and Launceston and Burnie City Councils, since 2016. The Project involves development of the West Park campus in Burnie and consolidation and relocation of teaching and research facilities and programs from Newnham to Inveresk. Construction for the West Park campus concluding in 2021. Construction for Stage One of the Newnham campus relocation to Inveresk concluded in February 2022 with the opening of the Library at Inveresk. The audit will examine the University's effectiveness in carrying out the Northern Transformation Project to date. It will

assess elements of project scoping, initiation and execution, and also assess whether the University identified lessons for adoption in future transformational projects.

Oral Health Services

Department of Health

Oral health refers to the condition of a person's teeth and gums, as well as the health of the muscles and bones in their mouth. Good oral health is fundamental to, and an indicator of, overall health and wellbeing. Oral Health Services Tasmania is responsible for providing dental and denture services for all eligible Tasmanian adults and dental care for all children up to the age of 18 years.

The audit will assess whether Oral Health Services Tasmania has arrangements in place that effectively facilitate access to public oral health services. The audit will examine whether Oral Health Services Tasmania:

- has appropriate governance arrangements, including oversight and monitoring, in place for oral health services
- has procedures in place that reflect, and respond to, an evidence-based understanding of barriers for eligible people accessing public oral health services
- consistently, equitably and transparently applies procedures relating to access to oral health services.

Management of departmental office accommodation

Department of Treasury and Finance

The Property Services Unit of the Department of Treasury and Finance is responsible for the management of departmental 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.

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

Effectiveness of shared services arrangements in the General Government Sector

Selected departments

A shared services arrangement facilitates the delivery of support services such as accounting, human resources, payroll, information technology, communication, 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.

Supporting students with a disability

Department of Education

The *2020 Review by the Australian Government of Disability Standards for Education 2005* found that the onus rests on students with disability and their guardians and carers to understand the system and advocate for reasonable adjustments. Accountability for the implementation of the *Disability Standards for Education 2005* (the Standards) was lacking. Additionally, the use of a complaints-based approach to compliance redressed individual situations, but did not readily support or drive systemic change. This audit will assess the Department of Education's effectiveness in providing support to students with a disability. It will examine whether:

- the Department provides adequate information to students with a disability and their guardians and carers to understand the system, advocate for reasonable adjustments and an accessible process by which to raise complaints
- the Department has a system in place to proactively address systemic issues
- schools assess and consult on the needs of students with a disability and provide the agreed adjustments and supports
- teachers have the appropriate skills and training and access to the resources needed to teach students with a disability.

The audit will also determine whether the Department implemented the Standards and subsequent recommendations made to state governments in the Australian Government's 5-yearly reviews of the Standards.

Management of landfill

Selected councils, local government joint authorities and the Environmental Protection Authority

Waste management has been the responsibility of local government in Tasmania. This includes management of both active and closed landfill sites. Management of landfill is important as poor management can lead to adverse human health and environmental impacts, both currently and for future generations. This audit will examine whether councils and local government joint authorities effectively manage active and closed landfill sites, including regulatory compliance and financial, social and environmental management.

Performance audits to commence in 2023-24

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.

Community services: grants and contracted services

Department of Premier and Cabinet, various non-government organisations

Non-government organisations provide services to clients of the Department of Premier and Cabinet through procurement and grants. This audit will assess whether the Department has:

- a transparent and strategic approach to determining whether the services would be procured through a procurement or grant process
- robust controls in place: for selecting and contracting service providers through either a grant or procurement process; ensuring compliance with agreements; monitoring outcomes of services provided by non-government organisations.

Strategic contract management

Selected departments

Panel contracts, standing contracts, multi-use contracts and common use contracts support a more efficient approach to contracting services required by Government entities. These arrangements benefit both Government and suppliers through increased transparency, standard terms and conditions and improved contract management. This audit will examine the use of panel contracts, standing contracts, multi-use contracts and common use contracts across Government departments.

Office of the Coordinator-General

Department of State Growth, Office of the Coordinator-General

The Office of the Coordinator-General is Tasmania's principal entity to attract and support investment in the State. The Office operates broadly across 4 interconnected areas including Investment Attraction and Promotion, Major Project Facilitation, unsolicited proposals and red tape reduction. This audit will examine the performance of the Coordinator-General. It will assess whether:

- governance arrangements, including delegation for decision-making, are appropriate and transparent
- resources are effectively coordinated to achieve positive outcomes for Tasmania
- performance information is objective, comprehensive and reliable.

Outcomes of Tasmanian Planning Scheme Reforms

Department of Premier and Cabinet, Tasmanian Planning Commission, selected councils

In 2015, the Government introduced the *Land Use Planning and Approvals Amendment (Tasmanian Planning Scheme) Act 2015* to develop a single statewide planning scheme for local government councils. The intent of the Tasmanian Planning Scheme was to provide greater consistency in planning controls across Tasmania. The Tasmanian Planning Scheme is currently in operation within 10 councils. The audit will examine the effectiveness of the implementation of the Tasmanian Planning Scheme. It will assess progress against the implementation plan and the outcomes of the reforms for selected councils operating under the Tasmanian Planning Scheme.

Managing freshwater resources: agriculture

Department of Natural Resources and Environment Tasmania, Tasmanian Irrigation Pty Ltd

Freshwater is vital for the Tasmanian economy, environment and way of life. Legislation, policies and strategies regulate water quality and supply. This audit will examine the effectiveness of the Department of Natural Resources and Environment Tasmania in maintaining water quality and supply through monitoring of water use for the purposes of agriculture. It will examine the:

- coordination of efforts across the Department, Tasmanian Irrigation and not-for-profits in managing water quality and supply
- progress in implementing the Rural Use Water Strategy 2021-26 actions specific to agriculture
- monitoring and evaluation of the Rural Use Water Strategy implementation actions specific to agriculture
- Tasmanian Irrigation's approval and monitoring of Farm Water Access Plans.

Strategic management of port infrastructure

Tasmanian Ports Corporation Pty Ltd

Tasmania has 4 major publically-owned ports at Bell Bay, Burnie, Devonport and Hobart. According to the Department of State Growth, over 99 per cent of goods leaving and arriving in Tasmania are moved by sea. Therefore, an efficient and effective port system is critical in meeting the current and future needs of Tasmania. The audit will assess Tasmanian Ports Corporation Pty Ltd's strategic management of port infrastructure in Tasmania, including planned upgrades for the 4 major ports as detailed in the Port Master Plan.

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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