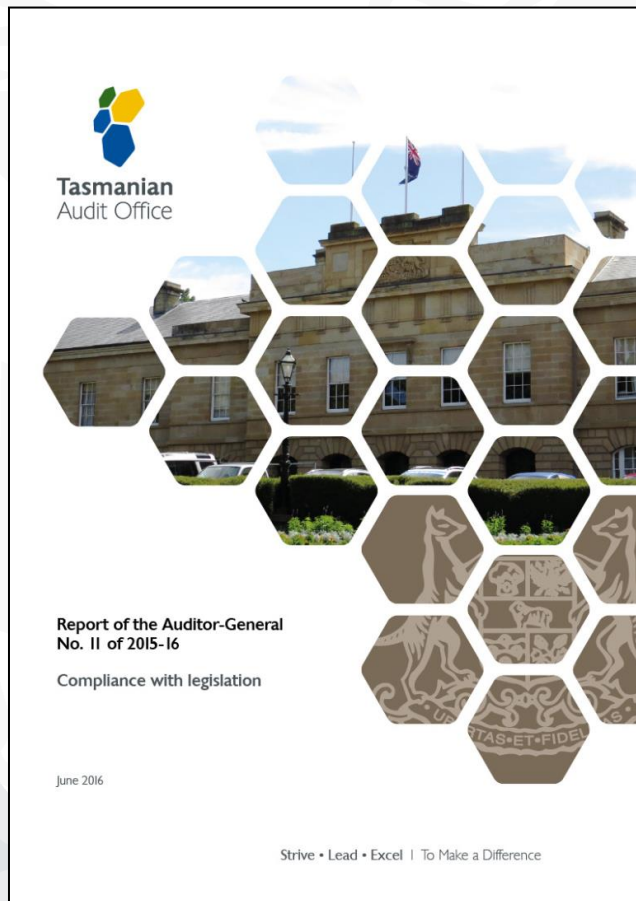




Tasmanian Audit Office

Compliance with legislation

REPORT OF THE AUDITOR-GENERAL No. 11 of 2015–16



Why this audit?

To provide Parliament with assurance that state entities were complying with applicable legislation



Background

- Tasmania has had responsible government since 1856
- Westminster system where legislation passed by Parliament must be complied with
- There are approximately 2281 pieces of enacted legislation
- Risk there is a high level of non-compliance by state entities

Audit objective

... was to express an opinion as to whether or not entities were complying with the implementation and administration of selected legislation and supporting regulations

Audit criteria

We developed two criteria, whether entities ...

- Complied with the legislation and supporting regulations, when last relevant
- Maintained systems to ensure ongoing compliance

Audit scope

- Local government councils
- Government departments
- Examination from January 2011 until now (5 years)

Audit approach

- Scanned all current pieces of legislation — 2281
- Identified suitable pieces of legislation — 700
- Identified approximately 1000 relevant sections (from 31 669)
- Selected 200 sections
- Assessed each section for final suitability

Audit approach

- Identified entities using the *Administrative Arrangements Order 2015*
- Made no attempt to select similar numbers
- We distributed questionnaires to each entity
- Followed up on their responses and supporting evidence

Chapter 1

Local government

Chapter 1: Local government

- We selected four areas to test:
 - *Dog control Act 2000*
 - *Local Government (Management Indicators) Order 2014*
 - *Building Act 2000*
 - *Local Government Act 1993*
- We tested all 29 councils against the above using the two criteria

Chapter 1: Local government

Act/Section	Requirement	Compliance		
		Yes	No	Partial
<i>Dog Control Act</i>	Develop & implement a dog management policy	29	0	0
<i>Local Government Order (Management Indicators)</i>	Asset management indicators	24	0	5
<i>Building Act</i>	Awareness and compliance	29	0	0
<i>Local Government Act</i>	Review by laws every 10 years	21	0	0
Total		103	0	5
		95%	0%	5%

Chapter 1: Local government

- No instances of non-compliance for the *Dog Control Act, Building Act, Local Government Act*
- Five councils failed to disclose an asset renewal funding ratio under *Local Government (Management Indicators) Order*

Chapter 1: Local government

Act/Section	Requirement	System for compliance	
		Yes	No
<i>Dog Control Act</i>	Develop & implement a dog management policy	22	7
<i>Local Government Order (Management Indicators)</i>	Asset management indicators	29	0
<i>Building Act</i>	Awareness and compliance	29	0
<i>Local Government Act</i>	Review by laws every 10 years	19	2
Total		99	9
		92%	8%

Chapter 1: Local government

Dog Control Act:

- No system & overdue: George Town, King Island, Waratah-Wynyard & West Coast
- System but overdue: Launceston City, Derwent Valley, Glenorchy City & Kingborough
- No system: Central Highlands, Sorell & Southern Midlands

Chapter 1: Local government

Local Government Act

- Neither Glenorchy City or Sorell had a system to review their By-laws prior to lapsing

Chapter 1: Local government

Conclusion:

- Councils complied with 95% of the legislation tested
- For 92% councils had systems in place

Chapter 2

Government departments

Chapter 2: Departments

- We selected four requirements from the FMAA common to all departments
- In addition each department had a number of unique legislative requirements

Department	Requirements	Yes	No	Partial
DoE	8	7	0	1
DHHS	8	8	0	0
Justice	37	36	0	1
DPFEM	8	8	0	0
DPaC	6	4	1	1
DPIPWE	29	24	3	2
State Growth	12	10	1	1
Treasury	8	8	0	0
	116	105	5	6

Chapter 2: Departments

- 91% total compliance
- 5% partial compliance
- 4% not complied with at all

Chapter 2: Departments

- DoE: Taxation log only partially compliant
- Justice: Some records maintained outside custodial system not always destroyed
- DPaC: Not all relevant contracts disclosed on website

Chapter 2: Departments

- **DPIPWE:**
 - Not compliant with 3 parts of the *Biological Control Act*
 - Partially compliant with submission of annual reports and annual plans

Chapter 2: Departments

- **State Growth:**
 - Board of Private Forests Tasmania did not prepare an annual plan
 - Partial rating with regard to maintenance of a taxation issues log

Department	Requirements	System for compliance	
		Yes	No
DoE	8	6	2
DHHS	6	6	0
Justice	26	25	1
DPFEM	8	8	0
DPaC	6	4	2
DPIPWE	29	25	4
State Growth	12	10	2
Treasury	8	8	0
TOTALS	103	92	11

Chapter 2: Departments

- 89% confirmed implementation of compliance systems
- 11% did not have satisfactory compliance systems in place

Chapter 2: Departments

- DoE: had systems for 6 of 8 areas tested
- Justice: satisfied 25 of 26
- DPaC: 4 of 6 requirements
- DPIPWE: 25 of the 29 requirements
- State Growth: maintained 10 of the 12 requirements



Chapter 2: Departments

Conclusion:

- Departments complied with 91% of legislation
- 89% had systems in place to ensure ongoing compliance

Overall conclusion

- Some conclude 100% compliance appropriate
- Not always achievable, due to:
 - Level of awareness
 - Level of resources
 - Adequacy of systems
- Not appropriate for us to suggest anything less than 100% is acceptable
- Entities should periodically check systems to ensure compliance with legislation

Responses

Councils:

- Those that responded were generally supportive and positive toward our findings
- Glenorchy disagreed about not having a system for by-laws
- Sorell said they were compliant but removed ratio at request of TAO

Responses

Departments:

- Expressed a commitment to ensure legislation is enforced
- Generally acknowledged our findings
- Indicated that corrective action being taken
- DPaC acknowledged non-compliance with TI 1402

Current projects

- Tasmanian Forests Intergovernmental Agreement
- Ambulance emergency services
- Management of national parks
- Government support for sporting and other events
- Follow up audit



Any questions?

