



**Tasmanian**  
Audit Office



**Report of the Auditor-General  
No. 10 of 2016-17**

Follow up of selected Auditor-General  
reports: September 2011 to June 2014

April 2017

## THE ROLE OF THE AUDITOR-GENERAL

The Auditor-General's roles and responsibilities, and therefore of the Tasmanian Audit Office, are set out in the *Audit Act 2008 (Audit Act)*.

Our primary responsibility is to conduct financial or 'attest' audits of the annual financial reports of State entities. State entities are defined in the Interpretation section of the Audit Act. We also audit those elements of the Treasurer's Annual Financial Report reporting on financial transactions in the Public Account, the General Government Sector and the Total State Sector.

Audits of financial reports are designed to add credibility to assertions made by accountable authorities in preparing their financial reports, enhancing their value to end users.

Following financial audits, we issue a variety of reports to State entities and we report periodically to the Parliament.

We also conduct performance audits 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. Audits focus on selected systems (including information technology systems), account balances or projects.

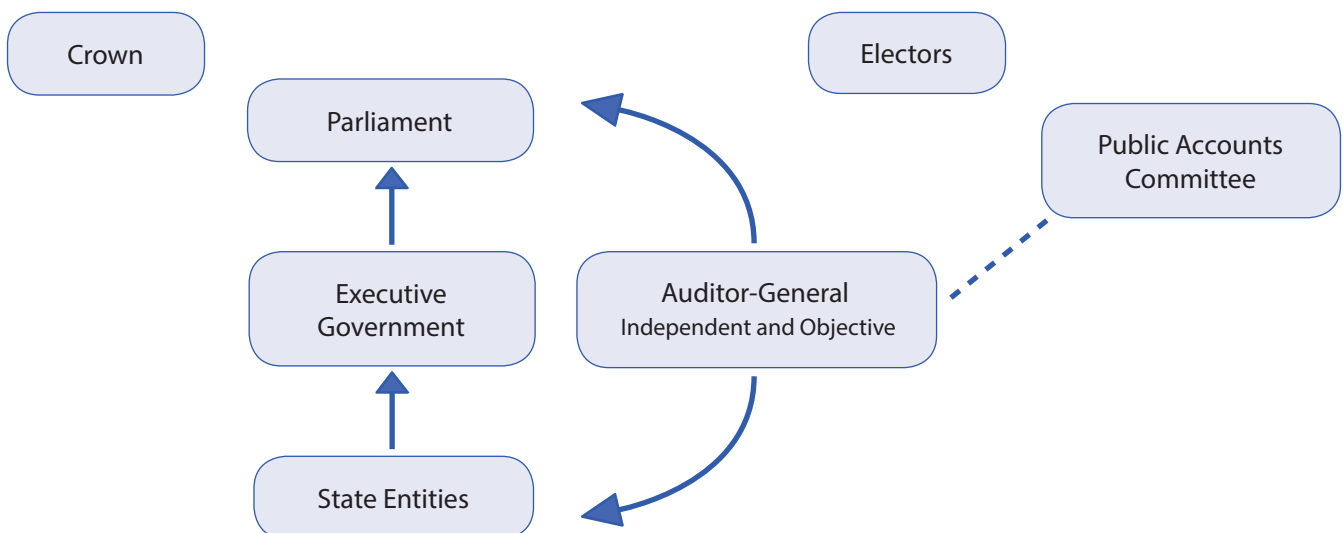
We can also carry out investigations but only relating to public money or to public property. In addition, the Auditor-General is now responsible for state service employer investigations.

Performance and compliance audits are reported separately and at different times of the year, whereas outcomes from financial statement audits are included in one of the regular volumes of the Auditor-General's reports to the Parliament normally tabled in May and November each year.

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 detailed within the reports.

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

The Auditor-General's role as Parliament's auditor is unique.





2017

PARLIAMENT OF TASMANIA

**REPORT OF THE  
AUDITOR-GENERAL  
No. 10 of 2016–17**

**Follow up of selected Auditor-General  
reports: September 2011 to June 2014**

**April 2017**

© Crown in Right of the State of Tasmania April 2017

This report, and other Auditor-General reports, can be accessed via our home page (<http://www.audit.tas.gov.au>).

For further information please contact:

Tasmanian Audit Office

GPO Box 851

Hobart

TASMANIA 7001

Phone: (03) 6173 0900, Fax (03) 6173 0999

Email: [admin@audit.tas.gov.au](mailto:admin@audit.tas.gov.au)

This report is printed on FSC Mix Paper from responsible sources.

ISBN: 978-0-9944284-9-3

4 April 2017

President  
Legislative Council  
HOBART

Speaker  
House of Assembly  
HOBART

Dear Mr President  
Dear Madam Speaker

**REPORT OF THE AUDITOR-GENERAL**

**No. 10 of 2016–17: Follow up of selected Auditor-General reports: September 2011 to June 2014**

This report has been prepared consequent to examinations conducted under section 23 of *the Audit Act 2008*. The objective of the audit was to ascertain the degree of implementation of recommendations made in the four selected reports tabled between September 2011 and June 2014.

Yours sincerely



Rod Whitehead  
**AUDITOR-GENERAL**



## Contents

<b>Executive summary .....</b>	<b>2</b>
Background .....	2
Detailed audit conclusions.....	2
<b><i>Audit Act 2008</i> section 30 — submissions and comments received .....</b>	<b>6</b>
<b>Introduction .....</b>	<b>8</b>
<b>1 Tourism Tasmania: is it effective? .....</b>	<b>12</b>
1.1 Background.....	12
1.2 2011 audit conclusions .....	12
1.3 Status of recommendations.....	13
1.4 Additional testing.....	14
1.5 Conclusion .....	15
1.6 Submissions and comments received .....	15
<b>2 The assessment of land-use planning applications .....</b>	<b>18</b>
2.1 Background.....	18
2.2 Audit conclusions .....	19
2.3 Status of recommendations.....	20
2.4 Additional testing.....	23
2.5 Conclusion .....	24
2.6 Submissions and comments received .....	24
<b>3 Hospital bed management and primary preventative health .....</b>	<b>28</b>
3.1 Background.....	28
3.2 Audit conclusions .....	29
3.3 Status of recommendations.....	29
3.4 Additional testing.....	37
3.5 Conclusion .....	37
3.6 Submissions and comments received .....	38
<b>4 Teaching quality in public high schools.....</b>	<b>42</b>
4.1 Background.....	42
4.2 Audit conclusions .....	43
4.3 Status of recommendations.....	44
4.4 Additional testing.....	48
4.5 Conclusion .....	54
4.6 Submissions and comments received .....	54
<b>Recent reports .....</b>	<b>58</b>
<b>Current projects .....</b>	<b>60</b>

## List of figures

Figure 1: RSI for public hospitals 2005–15 .....	32
Figure 2: Rate of unplanned readmissions within 28 days 2009–10 per 1000 separations .....	34
Figure 3: Rate of unplanned readmissions within 28 days 2014–15 per 1000 separations .....	35
Figure 4: Tasmanian Government schools DRR 2008–16 .....	45
Figure 5: Survey responses numbers from student, parent and staff in government schools 2013–16.....	46
Figure 6: Enrolments in PLI programs 2014–17 .....	48
Figure 7: NAPLAN Year 9 – results 2012–16 .....	49
Figure 8: PISA results for reading 2003–15 .....	52
Figure 9: TIMSS results for Year 8 mathematics 2003–15 .....	53

## List of tables

Table 1: Tourism — degree of implementation (%).....	13
Table 2: Assessment of land use and planning applications — degree of implementation (%) .....	20
Table 3: Hospital bed management and primary preventative health — degree of implementation (%) .....	30
Table 4: Teaching quality in public high schools — degree of implementation (%) .....	44
Table 5: Proportion of government schools' NAPLAN Year 9 mean scores compared to similar Australian schools — 2012 .....	50
Table 6: Proportion of government schools' NAPLAN Year 9 mean scores compared to similar Australian schools — 2016 .....	51

## List of acronyms and abbreviations

ACARA	Australian Curriculum, Assessment and Reporting Authority
ALOS	Average length of stay
BODC	Break O'Day Council
CCC	Central Coast Council
DA	Development application
DHHS	Department of Health and Human Services
DoE	Department of Education
DVC	Derwent Valley Council
HITH	Hospital in the Home



ICSEA	Index of Community Socio-Educational Advantage
LCC	Launceston City Council
LGH	Launceston General Hospital
Mersey	Mersey Hospital
MVC	Meander Valley Council
NAPLAN	National Assessment Program Literacy and Numeracy
NWRH	North West Regional Hospital
PISA	Programme for International Student Assessment
PHS	Public Health Service
PLI	Professional Learning Institute
RHH	Royal Hobart Hospital
RSI	Relative Stay Index
SC	Sorell Council
THS	Tasmanian Health Service
TIMSS	Trends in International Mathematics and Science Study
Tourism	Tourism Tasmania
TPC	Tasmanian Planning Commission



## **Executive summary**

---

## Executive summary

### *Background*

We conduct audits with the goal of assessing the performance and compliance of State entities. Identifying areas for potential improvement is an essential part of such audits and recommendations are made in support of that objective.

Follow up audits inform Parliament about the extent to which State entities have acted on recommendations made in previous compliance and performance reports. They also help inform our performance by reference to the relevance of our findings and recommendations.

This follow-up audit was completed to provide Parliament with information about the extent to which State entities acted on recommendations made in four reports tabled between September 2011 and June 2014.

The four reports previously tabled were:

- Report of the Auditor-General No. 1 of 2011–12 *Tourism Tasmania: is it effective?*
- Report of the Auditor-General No. 8 of 2011–12 *The assessment of land-use planning applications*
- Report of the Auditor-General No. 10 of 2012–13 *Hospital bed management and primary preventative health*
- Report of the Auditor-General No. 13 of 2013–14 *Teaching quality in public high schools.*

We consider the degree to which recommendations have been implemented a useful performance measure, both for the audit clients and the effectiveness of the reports. For the purposes of a follow up audit, we regard an implementation rate of 70 per cent as satisfactory.

### *Detailed audit conclusions*

#### *Tourism Tasmania: is it effective?*

Tourism Tasmania (Tourism) had fully implemented all six of the 2011 recommendations, giving it an overall rate of implementation of 100 per cent, which exceeded our benchmark 70 per cent.

#### *The assessment of land use planning applications*

Responses from the Tasmanian Planning Commission and the six selected councils involved in this follow-up audit indicated

significant changes to Tasmania's land-use planning application system had occurred since the 2012 report. The overall implementation rate of 82 per cent for recommendations made in the 2012 report exceeded our benchmark of 70 per cent.

*Hospital bed management and primary preventative health*

Individually, the Tasmanian Health Service achieved an implementation rate of 58 per cent for its nine recommendations, while the Department of Health and Human Services achieved a rate of 94 per cent for its seven recommendations. The overall implementation rate for all 16 recommendations was 74 per cent, which exceeded our benchmark of 70 per cent. We would have preferred to see a higher rate of implementation by THS and we encourage THS to continue pursuing those recommendations that can continue to drive improved performance.

*Teaching quality in public high schools*

We found the Department of Education had fully implemented three of the seven 2014 recommendations and partially implemented the four remaining recommendations. The overall rate of implementation by the department was 79 per cent, which exceeded our 70 per cent benchmark.



## **Audit Act 2008 section 30 — submissions and comments received**

## *Audit Act 2008 section 30 — submissions and comments received*

### *Introduction*

In accordance with section 30(2) of the *Audit Act 2008* (the Act), copies of this Report, or relevant extracts of it, were provided to the respective audit clients for the audits that were covered in this follow up.

### *Submissions and comments received*

Submissions and comments that we receive are not subject to the audit nor the evidentiary standards required in reaching an audit conclusion. Responsibility for the accuracy, fairness and balance of these comments rests solely with those who provided the response. However, views expressed by agencies were considered in reaching audit conclusions.

Section 30(3) of the Act requires that this Report includes any submissions or comments made under section 30(2) or a fair summary of them. Submissions received for this follow up audit appear at the conclusion of each chapter in order to make the report easier to use.



## Introduction

---

## Introduction

### *Background*

We conduct audits with the goal of assessing the performance and compliance of State entities. Identifying areas for potential improvement is an essential part of audits and recommendations are made in support of that objective.

Follow-up audits are undertaken to provide Parliament with information about the extent to which State entities have acted on recommendations made in previous reports. They also help inform our performance by reference to the relevance of our findings and recommendations.

In the public sector, resources are always limited and entities generally reject recommendations unless they have a practical focus and are likely to lead to better outcomes, such as increased effectiveness and efficiency or better compliance.

### *Audit objective*

The purpose of the audit was to:

- ascertain the extent to which recommendations in the four reports were implemented
- determine reasons for non-implementation.

### *Audit scope*

Our previous follow up audit, Report of the Auditor-General No. 4 of 2015–16, was tabled in October 2015. It covered the period from June 2011 and October 2013.

The four reports selected for this follow up were:

- Report of the Auditor-General No. 1 of 2011–12 *Tourism Tasmania: is it effective?*
- Report of the Auditor-General No. 8 of 2011–12 *The assessment of land-use planning applications*
- Report of the Auditor-General No. 10 of 2012–13 *Hospital bed management and primary preventative health*
- Report of the Auditor-General No. 13 of 2013–14 *Teaching quality in public high schools.*

### *Audit approach*

We surveyed State and local government entities to gauge the extent to which they had implemented recommendations made in the reports listed above. We requested supporting data and documentation, which we then assessed against the original

finding and recommendation. In addition, we undertook additional limited testing and held discussions with relevant staff as necessary.

#### *Future follow up audits*

As indicated in our *2016–17 Annual Plan of Work*<sup>1</sup>, we intend to undertake further follow up audits, but report selection will be subject to coordination with the follow up program of the Public Accounts Committee of Parliament. Notwithstanding this, we reserve the right to conduct follow up audits as we see necessary.

#### *Timing*

Planning for the follow up of the audits listed in the Audit scope began in April 2016. We sent questionnaires to clients in May 2016 and completed the fieldwork in February 2017.

The Report was finalised in March 2017.

#### *Resources*

The plan for this follow up audit recommended 800 hours and a budget, excluding production costs, of \$126 696. Total hours were 704 and actual costs, excluding production, were \$103 757, which was less than our budget.

#### *Why this project was selected*

This follow up audit was undertaken as part of our longstanding commitment to Parliament to ensure that benefits from recommendations are achieved.

#### *Acknowledgement*

We acknowledge the assistance and cooperation given by all the entities involved with this follow-up audit.

---

<sup>1</sup> Tasmanian Audit Office, *Annual Plan of Work 2016-17*, Tasmanian Audit Office, Hobart 2016.



## **1 Tourism Tasmania: is it effective?**

---

# 1 Tourism Tasmania: is it effective?

## 1.1 Background

Established under the *Tourism Tasmania Act 1996*, Tourism is a stand-alone State Authority. However, at the time our report, *Tourism Tasmania: is it effective?* (the 2011 report) was released, it was a statutory authority within the then Department of Economic Development, Tourism and the Arts.

With an annual budget of \$26m in 2015–16<sup>2</sup>, the role of Tourism is to ‘create demand for travel to the State by connecting people culturally and emotionally to Tasmania through domestic and international marketing programs that lead and activate the Tasmanian brand and grow economic and social value’<sup>3</sup>.

The objective of our 2011 report was to form an opinion on the effectiveness of Tourism with respect to promotional campaigns and advertisements; implementation of planned strategies and initiatives and websites. In doing so, we focused on programs used to market the State as a tourist destination. The 2011 report looked at strategic planning documents for 2006–10 and reviewed actual performance from July 2008 to December 2010.

In this Chapter, we examine the implementation of the six recommendations made in the 2011 report.

## 1.2 2011 audit conclusions

The main findings of the 2011 report were that:

- decisions relating to overall strategy were at least partially based on available evidence and that Tourism had largely implemented its strategies
- planning documentation for individual campaigns generally lacked reference to previous campaigns, focus groups and visitor surveys. Similarly, campaigns lacked clear and measurable objectives and closure reports reflected an inability to objectively assess achievement. We also found that strategic documents were often lacking in clarity

---

<sup>2</sup> Tourism Tasmania, *Annual Report 2015–16*, Tourism Tasmania, Hobart, 2016, p. 31.

<sup>3</sup> *ibid*, p. 5.

- with regard to the Discover Tasmania website, there were a number of areas in which the website did not meet best practice. Nonetheless, a steady increase in uptake by business and visitors indicated that the Discover Tasmania website was increasingly meeting the needs of business and tourists.

### 1.3 Status of recommendations

Six recommendations from the original report are shown in abbreviated form in Table 1 together with respective rates of implementation by Tourism.

**Table 1: Tourism — degree of implementation (%)**

No.	Recommendations (abbreviated)	%
1	Use of focus groups, survey data and campaign closure reports in planning new campaigns	100
2	Define measurable campaign objectives	100
3	Adopt 'plain English' in strategy documents	100
4	Improve documentation of processes and activities when implementing strategic plans	100
5	Simplify <i>Discover Tasmania</i> website homepage	100
6	Align <i>Discover Tasmania</i> website to best practice design standards	100
<b>Number of recommendations</b>		<b>6</b>
<b>Average % implementation</b>		<b>100</b>

Tourism had fully implemented all six of the 2011 recommendations, which exceeded our benchmark 70 per cent.

Our findings in relation to each recommendation are detailed below.

#### *Campaign planning*

We found Tourism had effectively implemented Recommendation 1 by incorporating data from focus groups, surveys and previous campaigns in planning new campaigns. Review of subsequent campaign closure reports also supported that planning was influenced by learnings gained in previous campaigns.

In line with Recommendation 2, we were satisfied that Tourism now defined measurable campaign objectives and that campaign closure reports were based on performance against these

objectives. We also noted that the development of a campaign performance dashboard now allowed for real-time performance oversight by Tourism.

### *Strategic planning*

The 2011 report reviewed a wide range of strategy documentation produced by or for Tourism. We noted that imprecise language led to a lack of clarity and understanding. Recommendation 3 asked Tourism to adopt 'plain English' in its strategy documents.

Tourism advised that all strategic documents and industry communications were now edited to minimise redundancies in the text, ensure more direct sentence structure and only use specialised terms where they provide benefit. We also noted that all published content is edited for the application of 'plain English' prior to publishing.

In our 2011 report, we noted issues with the documentation of processes and activities undertaken when implementing strategic plans. Recommendation 4 suggested improvements be made in this area. We found that all major initiatives required the preparation of a project plan to guide project implementation and the completion of project closure reports.

We were satisfied both Recommendations 3 and 4 had been fully implemented.

### *Discover Tasmania*

In relation to Recommendations 5 and 6, we found Tourism had effectively simplified the *Discover Tasmania* website homepage and aligned the homepage and website to best practice design standards. A redesign of the *Discover Tasmania* website was undertaken in 2013 with the new website launched in February 2014. The redevelopment involved a full redesign of site structure, use of imagery and text as well as the addition of new content types.

## **1.4** *Additional testing*

Fieldwork included a review of strategic, policy and procedural information provided by Tourism, as well as a review of the *Discover Tasmania* website. No further additional testing was undertaken.



## 1.5 Conclusion

Tourism had fully implemented all six of the 2011 recommendations, giving it an overall rate of implementation of 100 per cent, which exceeded our benchmark 70 per cent.

## 1.6 Submissions and comments received

### Tourism Tasmania

Tourism Tasmania was pleased to assist the Tasmanian Audit Office in conducting the performance audit. Campaign planning, strategic direction and the redesign of the Discover Tasmania website have been objectives of the Tourism Tasmania Board, so I am pleased with the audit opinion that Tourism Tasmania fully implemented the six recommendations of the 2011 report to a standard of 100%.

Since 2011 Tourism Tasmania has moved through the lifecycle of a Corporate Plan. Our new Corporate Plan is aligned to Tourism Tasmania's role in the new T21 - The Tasmanian Visitor Economy Strategy 2015-2020.

It is particularly pleasing that the report is matched against Tourism Tasmania's continuing contribution to the visitor economy with record breaking statistics for the year ending December 2016. This is the first time ever that visitor numbers have passed the 1.2 million mark, and goes a long way achieving the growth needed to reach the government and industry's joint T21 visitor economy goal of 1.5 million visitors per annum by 2020.

Tourism Tasmania continues to strengthen its business practices and appreciates the advice and guidance available from the TAO and its officers.

**John Fitzgerald**  
**Chief Executive Officer**



## **2 The assessment of land-use planning applications**

## 2 The assessment of land-use planning applications

### 2.1 Background

All local government councils are planning authorities. Legislation enables councils to develop planning schemes that the Tasmanian Planning Commission (TPC) approves. Those planning schemes cover matters such as zoning and permitted uses. In essence, schemes provide rules that applicants should follow and councils use in assessing development applications (DAs). In some instances, a planning scheme needs to be amended before a council can consider a DA and when that occurs, councils seek approval from the TPC.

Generally, a planning permit needs to be issued by a council before an applicant can proceed with any development. Councils assess DAs against the planning scheme. Legislation sets out timeframes to process DAs and provides for appeal processes.

The Government is currently undertaking planning reforms to deliver greater consistency in the planning rules across the State.<sup>4</sup> The first set of reforms were delivered in 2014 with the passage of changes to the *Land Use Planning and Approvals Act 1993* to streamline the processes for finalising interim schemes and amending planning schemes, together with a range of other measures. In late 2015, further amendments provided for the future introduction of a State-wide planning scheme.

We undertook the audit, *The assessment of land-use planning applications*, to examine aspects of the land-use planning application system in Tasmania at the whole-of-state and local government levels. Our objective was to provide a benchmark that could assist the reform process that has been underway since 2008.

The 2012 report contained an analysis of:

- DAs received in 2010–11
- planning scheme amendments proposed by councils that were approved in 2010–11
- timeliness and output indicators between 2005 and 2011

---

<sup>4</sup> Department of Justice, *Tasmanian Planning Reform*, Tasmanian Government, 2017. Available from: [http://www.justice.tas.gov.au/tasmanian\\_planning\\_reform](http://www.justice.tas.gov.au/tasmanian_planning_reform)

- strategic planning documents from 2002–11.

The objective of the audit was to assess the performance of Tasmania's land-use planning application system at the whole-of-State and local levels. We conducted sample testing at the following entities:

- TPC
- Central Coast Council (CCC)
- Break O'Day Council (BODC)
- Derwent Valley Council (DVC)
- Launceston City Council (LCC)
- Meander Valley Council (MVC)
- Sorell Council (SC).

This Chapter looks at the extent to which councils and the TPC implemented the recommendations made in the 2012 report.

## 2.2 *Audit conclusions*

The main findings of the 2012 report were that:

- 15 per cent of DAs tested at councils had exceeded the 42-day statutory limit
- there were inconsistencies with the way that councils had counted the elapsed days
- reporting about the timeliness of processing DAs and the number of DAs handled was not routinely provided
- staffing resources were adequate but there were opportunities to share resources in times of high activity
- there was scope for improvement with reducing duplication, formalising internal assessment processes, utilising electronic records management and DA assessment systems and setting time limits for completion of referred work
- with respect to planning schemes, there was considerable variation between the number of zones and the number of use classifications. There was no standard form of presentation or layout, which potentially created inefficiencies, particularly for individuals or businesses with State-wide operations
- the analysis of strategic planning documentation found while there were some minor exceptions, most

entities had set and complied with a strategic planning framework.

### 2.3 Status of recommendations

The 27 recommendations contained in the 2012 report are abbreviated in Table 2, together with respective rates of implementation by councils and the TPC.

**Table 2: Assessment of land use and planning applications — degree of implementation (%)<sup>5</sup>**

No.	Recommendations (abbreviated)	TPC	BODC	CCC	DVC	LCC	MVC	SC	All
1	Develop electronic information system and feedback mechanism	100 <sup>6</sup>							100
2	Provide information about planning reforms	100							100
3	Measure assessment times		100	100	100	100	100	100	100
4	Develop qualitative measurement guidelines	n/a <sup>7</sup>							-
5, 12, 21	Implement electronic information system		100		100		25		75

<sup>5</sup> Please note recommendations provided to each of the entities were not identical. However, where recommendations were similar, they have been grouped together for presentation purposes.

<sup>6</sup> Recommendation 1 also required the development of key planning principles by the TPC. However, the planning policy function has been transferred to a newly created Planning Policy Unit within the Department of Justice. Therefore, the TPC was not assessed on the implementation this component of Recommendation 1.

<sup>7</sup> The planning policy function has been transferred to a new Planning Policy Unit within the Department of Justice. Therefore, the TPC was not assessed on the implementation of Recommendation 4.

No.	Recommendations (abbreviated)	TPC	BODC	CCC	DVC	LCC	MVC	SC	All
6, 10, 13, 18, 24	Complete application assessments within statutory time		80	90	60	80		90	80
7,14,25	Set specific and measurable goals		75		0			100	58
8, 11, 15, 19, 22, 26	Websites to include key zoning and planning information		80	100	40	100	100	80	83
9, 16, 20, 27	Annual reporting to include number of DAs lodged and assessment timeliness		50		25	25		50	31
17, 23	Build controls into DA assessment system and develop method for detailed management reporting					100		100	100
<b>No. of recommendations</b>		<b>2</b>	<b>6</b>	<b>3</b>	<b>6</b>	<b>5</b>	<b>3</b>	<b>6</b>	<b>31<sup>8</sup></b>
<b>Average % implementation</b>		<b>100</b>	<b>81</b>	<b>97</b>	<b>54</b>	<b>81</b>	<b>75</b>	<b>87</b>	<b>82</b>

Responses from entities involved in the follow-up audit indicated that significant changes to Tasmania's land-use planning application system had occurred since the 2012 report. The overall implementation rate exceeded our benchmark of 70 per cent.

<sup>8</sup> The 2012 report included 27 recommendations. However, Recommendation 3 was directed to all six councils included in the report. Each council's response to the shared recommendation is reflected in this table. The total number of recommendation responses is therefore shown as 31.

Due to the large number of council-related recommendations, our findings are addressed below on an exception basis only<sup>9</sup>.

#### *Tasmanian Planning Commission*

In relation to Recommendation 1, we found that the TPC had developed and implemented the *iplan* website, which was the first stage of a significantly enhanced digital planning scheme system. We also found that the TPC received regular reports noting feedback on decisions and processes (Refer footnote on previous page).

We were satisfied that the TPC had publicly published information on the new reform program, as requested by Recommendation 2. The TPC also provided us with information on its responsibilities for particular reform tasks.

#### *Processing of development applications*

The 2012 report made five recommendations regarding the timeliness of assessment of DAs by councils. This was based on a 42-day statutory limit prescribed by the *Land Use Planning and Approvals Act 1993*. However, the Act now prescribes 42 days for discretionary applications and 28 days for permitted applications. Accordingly, our follow up testing was based on these new requirements.

Overall, we found that although the majority of DA assessments were completed within the statutory time limits, there were still exceptions at a number of councils.

#### *Electronic monitoring systems*

MVC advised that despite beginning preliminary work, it had not completed the transition to an electronic assessment system (Recommendation 21) due to uncertainty surrounding the Tasmanian Planning Reform initiative and the shift to a State-wide planning scheme.

#### *Strategic planning*

We found that BODC had partially implemented Recommendation 7 through the adoption of a Municipal Management Plan. However, full implementation was not

---

<sup>9</sup> Exceptions represent recommendations where full implementation was not achieved.



achieved as BODC had suspended its strategic planning activities until the State-wide system is fully implemented. We found DVC's most recent strategic plan expired in 2015. At the time of writing this report, DVC did not have a current strategic plan and therefore could not satisfy Recommendation 14.

#### *Website information*

While DVC had undertaken work on a new website, only two of the five points (40 per cent) contained in Recommendation 15 had been implemented. Similarly, we found BODC and SC had implemented 80 per cent of Recommendations 8 and 26 respectively due to permit approvals listings not being published on the council's websites. We did, however, note that recent permit approvals information was publicly available through council meeting agendas for both BODC and SC.

#### *Annual reporting*

In relation to the annual reporting of DA approvals and processing timeliness, we found BODC, DVC, LCC and SC had partially implemented Recommendations 9, 16, 20 and 27 respectively. BODC, DVC and SC published details of DAs approved through council agendas, while LCC's website could be searched for current and finalised DAs. However, given no information was included in their annual reports, including information on assessment timeliness, these recommendations could not be fully satisfied.

### **2.4** *Additional testing*

We undertook additional testing regarding the DA processing to determine if the timeliness of DA processing had improved since our 2012 report.<sup>10</sup> We tested DAs processed by councils from 1 July 2015 to 30 June 2016 and analysed the data to identify DAs that may have exceeded the statutory deadlines. Overall, our testing identified that while the majority of DAs were processed within the prescribed time limits, there were still some exceptions. This is reflected in the results for Recommendations 6, 10, 13, 18 and 24. We also encountered difficulties with the

---

<sup>10</sup> MVC was excluded from this additional testing as no recommendation regarding the timeliness of processing was made to Council as part of the 2012 report.

accuracy of information held by councils but this did not impact on our testing.

## 2.5 Conclusion

Responses from entities involved in this follow-up audit indicated significant changes to Tasmania's land-use planning application system had occurred since the 2012 report. The overall implementation rate of 82 per cent for recommendations made in the 2012 report exceeded our benchmark of 70 per cent.

## 2.6 Submissions and comments received

### Break O'Day Council

Overall the report is balanced and a true reflection of the current state of BODC development application processing performance.

With respect to adherence to statutory timeframes I think it important to note that BODC has taken the position of referring DAs to Council decision if a representation is received, ensuring transparency of process. This is the predominate reason for exceeding the 42 day statutory limit and always occurs with an extension of time agreed to by the applicant.

As reflected in the report we are in a climate of uncertainty during the period of planning reform currently being experienced. Many process improvements and long term planning work has been deferred while we concentrate resources towards preparing for the implementation of the State Planning Scheme.

**John Brown**  
**General Manager**

### Central Coast Council

The 2012 recommendations made to the Central Coast Council (3 off) have been implemented and this is reflected within the report.

It is noted that Table 2 shows a 90% degree of implementation for the Central Coast Council for the *Completion application assessments within statutory time* which in actual numbers equated to one application where difficulties were experienced with the information provided. The actual completion rate was

98% but it is accepted that the percentages used in the report were taken to the nearest 10% for ease of comparison.

I thank you for allowing the Council to provide a response to the confidential extract and the Council accepts that this will form part of the full report to Parliament.

***Sandra Ayton***  
**General Manager**

**Meander Valley Council**

Meander Valley does not have any concerns with the report; it accurately reflects our understanding of the results of the audit.

***Martin Gill***  
**General Manager**



### **3 Hospital bed management and primary preventative health**

---

## 3 Hospital bed management and primary preventative health

### 3.1 Background

In the Australian public health sector, there is a persistent demand for hospital beds that is fuelled by numerous factors that include an ageing population and increasing rates of illness caused by lifestyle factors.

To ensure government achieves value for its investment in public health, maximising the use of existing hospital beds is an important strategy. Patient throughput in hospitals could be aided through the use of out-of-hospital alternatives (e.g. outpatient treatment, clinics, Hospital in the Home (HITH), aged care or home care), minimising the length of stay and inter-hospital transfers (to free up beds in busy hospitals).

In 2013, we tabled, *Hospital bed management and primary preventive health* (the 2013 report), which assessed the effectiveness of Department of Health and Human Services' (DHHS)<sup>11</sup> efforts to improve patient throughput in hospitals and to prevent people acquiring chronic conditions through primary preventive health strategies.

The 2013 report took the approach that a more efficient use of existing facilities could be attained through two strategies at opposite ends of the health-care spectrum:

- Improving patient throughput in hospitals — Tasmanian Health Service (THS).
- Preventing people acquiring chronic conditions that could lead to hospitalisation in future years — DHHS.

In this Chapter, we examine the implementation of the 16 recommendations by both the THS and DHHS.

---

<sup>11</sup> While the three Tasmanian Health Organisations became operational as at 1 July 2012, we only referred to DHHS in the 2013 report, as the public health system was still in transition for much of the period covered by the audit. From 1 July 2015, the three Tasmanian Health Organisations were merged to form the single THS.

### 3.2 *Audit conclusions*

The main findings of the 2013 report were:

- hospital occupancy rates varied widely from excessive at the Royal Hobart Hospital (RHH) to under-use at the North West Regional Hospital (NWRH) and district hospitals
- the average length of stay (ALOS) and Relative Stay Index (RSI) indicators in Tasmanian hospitals were above the Australian average and increasing
- rates of unplanned readmission compared unfavourably with other jurisdictions
- Tasmania achieved substantial reductions in rates of hospital-acquired infections
- alternatives to hospital beds were reasonably effective, however, HITH appeared under used and there were delays in nursing home placements in the North-West
- there was reasonable attention to throughput in strategic planning documents, although the inclusion of relevant performance indicators would increase the likelihood of effective implementation
- separate bed-management systems in the State's three regions that varied in their capacity to assist bed managers in maximising the use of hospital beds in acute care hospitals or better-use capacity at district hospitals
- there was a strong case for adopting a single State-wide bed management system
- Tasmania had achieved high rates of vaccination and hence reduced the risk of children contracting related conditions, however, for chronic conditions, Tasmania's rates of illness were higher than the rest of Australia
- it was difficult to get a sense of what interventions and programs were undertaken by DHHS or on what basis.

### 3.3 *Status of recommendations*

The 2013 report contained 16 recommendations, all of which were originally directed at DHHS. However, given the changes to the governance arrangements to Tasmania's public health sector (refer footnote on the previous page), Recommendations 1 to 9 became the responsibility of THS, while Recommendations 10 to 16 remained with DHHS.

The 16 recommendations from the 2013 report are shown in abbreviated form in Table 3 together with respective rates of implementation by THS and DHHS.

**Table 3: Hospital bed management and primary preventative health  
— degree of implementation (%)**

No.	Recommendations (abbreviated)	THS	DHHS
1	Investigate why RSI compares unfavourably with other jurisdictions and deteriorated from 2008	50	
2	Investigate why ALOS compares unfavourably with other jurisdictions	50	
3	Explore ways to avoid excessive bed occupancy at the RHH and aim to increase bed occupancy at the NWRH and Mersey Hospital (Mersey)	50	
4	Investigate why some surgical procedures have rates of unplanned readmission above the national average	50	
5	Revisit utilisation of HITH programs at a State-wide level	75	
6	Investigate why placement times for elderly patients on the North West Coast are longer than for the rest of the State and develop strategies to reduce waiting times	50	
7	Implement performance indicators to monitor patient throughput effectiveness and facilitate benchmarking at a state and national level	25	
8	Investigate the feasibility of greater bed use at district hospitals	70	
9	Consider a State-wide bed management system to facilitate efficient use of the separate public hospitals	100	
10	Define responsibilities for preventive health activities, adopt a single, multi-year strategic document and support the strategic plan with annual business plans		100
11	Define statutory and non-statutory requirements, better identify likely benefits and introduce greater flexibility to prioritising interventions accordingly		80
12	Outline actions and initiatives flowing from high-level concepts in strategic plans		100
13	Adopt a top-down approach to strategic planning and give a clear sense of what would be done and what will be achieved		100
14	Use the <i>Health and Wellbeing Mapping Report</i> as a key input to revised strategic plan		100



No.	Recommendations (abbreviated)	THS	DHHS
15	Identify high-level and practical indicators of success and frequency of measurement in strategic plans		100
16	Ensure information sought for business plans and funding agreements is practical and provides a reasonable indication of success		80
<b>Number of recommendations</b>		<b>9</b>	<b>7</b>
<b>Average % implementation</b>		<b>58</b>	<b>94</b>

The overall implementation rate for recommendations made in the 2013 report exceeded our benchmark 70 per cent. Our findings in relation to each recommendation are detailed below.

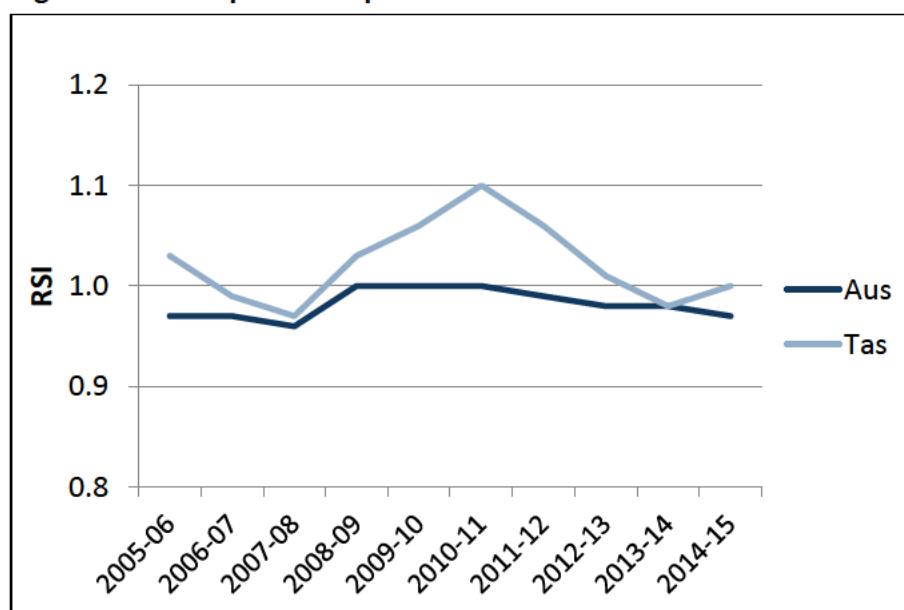
### *3.3.1 Status of Recommendations — THS*

#### *Patient throughput*

The 2013 report made three recommendations (Recommendations 1, 2 and 7) relating to patient throughput.

Recommendation 1 asked DHHS (now THS) to investigate why its RSI compared unfavourably with other jurisdictions. While THS did not provide a definitive answer, it did indicate that there has been a significant improvement in Tasmania's RSI compared to other jurisdictions. Figure 1 compares Tasmania's public hospitals' performance against the Australian average since 2005.

**Figure 1: RSI for public hospitals 2005–15**



Source: TAO, Australian Institute of Health and Welfare data —  
Total directly standardised RSI

Figure 1 shows that Tasmania’s RSI for public hospitals has decreased steadily since the original audit, despite a slight rise in 2014–15. However, we were not provided with individual RSI data for each of the four public-sector acute-care hospitals.

We were advised NWRH, Mersey and Launceston General Hospital (LGH) had now joined the Health Roundtable<sup>12</sup> along with the RHH, in order to benchmark performance measures such as RSI and ALOS against peer facilities.

Therefore, we considered Recommendation 1 to be only partially implemented.

We noted several examples where ALOS data was used by clinicians and THS management to identify performance improvement opportunities. However, we were not provided with the reasons as to why Tasmania’s public hospitals achieved an unfavourable ALOS for 2010–11 — the period covered by the

<sup>12</sup> The Health Roundtable is a not-for-profit organisation that produces performance information for member health services including ‘peer comparisons’ that are restricted to other member facilities. Information produced by the Health Roundtable is not used for public reporting or by any Commonwealth or Tasmanian Government agencies to measure, assess or report on the performance of public hospitals.

2013 report. Therefore, we only rated Recommendation 2 as partially implemented.

THS advised that performance indicators for patient throughput effectiveness formed part of the annual service agreement between DHHS and THS. We reviewed the 2016–17 service agreement and noted some relevant indicators, but we could not identify specific indicators in line with Recommendation 7.

### *Bed occupancy and management*

The 2013 report made three recommendations (Recommendations 3, 8 and 9) relating to bed occupancy and bed management.

The first part of Recommendation 3 recommended DHHS (now THS) and the RHH explore ways to avoid excessive bed occupancy at the RHH. THS advised it had announced a range of actions to ensure patients received more timely care at the RHH. However, we were not made aware of any specific initiatives aimed at reducing excessive bed-occupancy at the RHH.

The second part of the Recommendation 3 asked that DHHS (now THS) should aim to increase bed occupancy at the NWRH and Mersey, including consideration of greater rationalisation of hospital services. Again, we were not given any firm initiatives or data to confirm whether occupancy rates at NWRH or Mersey had increased.

In line with Recommendation 8, THS identified a need for the development of a State-wide patient management system. While RHH had been using an electronic bed-management system for some time, THS advised that a State-wide system was still being rolled out to the other three acute-care hospitals. Therefore, we were satisfied Recommendation 8 had been partially implemented.

We found THS had fully implemented Recommendation 9, as it had implemented initiatives to make greater use of beds located at district hospitals. For instance, THS advised the average bed-occupancy rate at the Deloraine District Hospital had increased from 64.7 per cent in 2013–14 to 87.6 per cent in 2015–16.

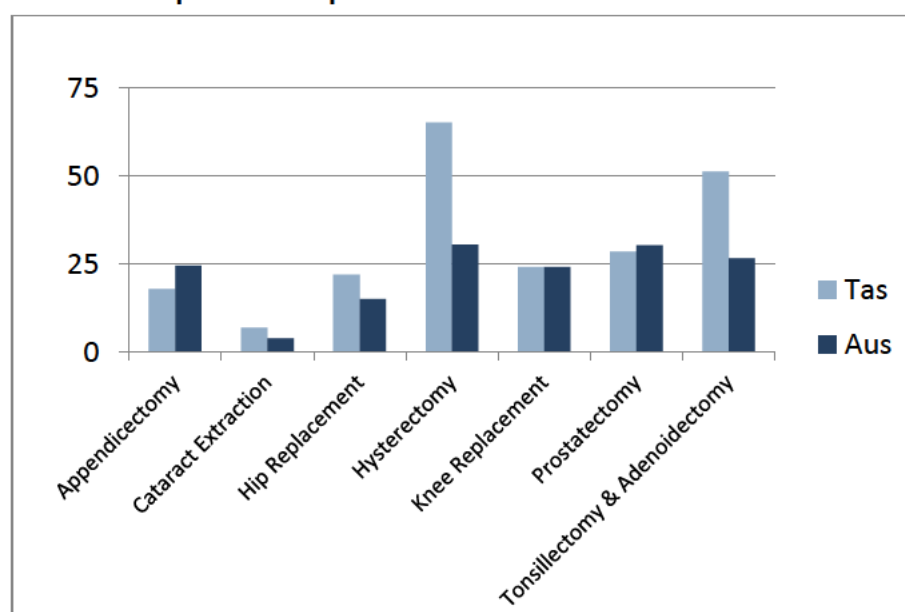
Work was also continuing to investigate ways of making greater use of beds located at other district hospitals, such as the New Norfolk District Hospital. In addition, a review was planned to identify long-stay RHH and LGH patients (greater than ten days) by local-government area.

### Unplanned readmissions

Unplanned readmissions<sup>13</sup> impact on the efficient use of hospital beds and also benchmark the safety and quality of hospital care. The 2013 report found Tasmania exceeded four national averages of tested procedures. Of those, tonsillectomy and hysterectomy exceeded the national average by wide margins. Recommendation 4 recommended DHHS (now THS) investigate the reasons why some surgical procedures had unplanned readmission rates above the national average.

Figures 2 and 3 compare readmission rates for Tasmania and Australia for a range of surgical procedures from the original audit period (2009–10, Figure 2) against the period after the 2013 report (2014–15, Figure 3).

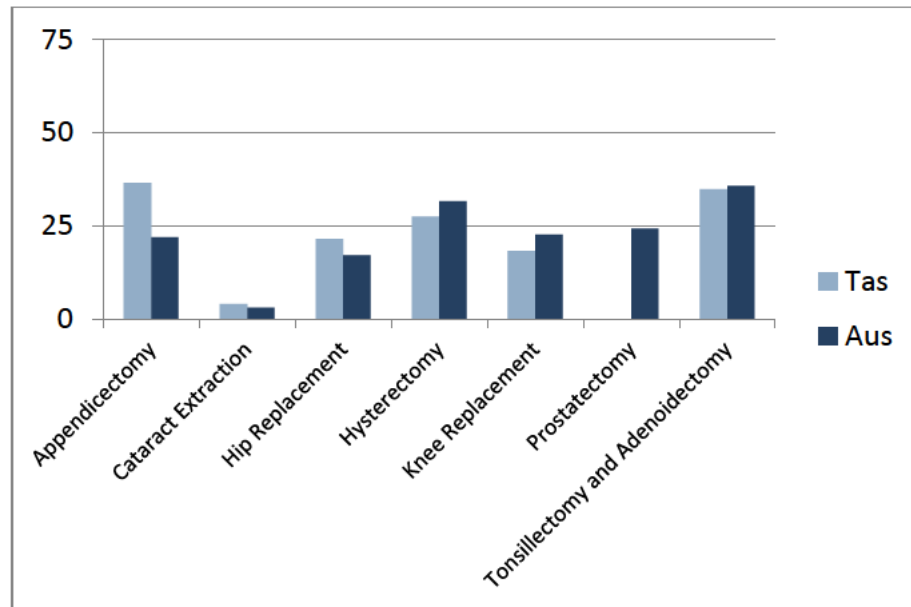
**Figure 2: Rate of unplanned readmissions within 28 days 2009–10 per 1000 separations**



Source: 2013 report

<sup>13</sup> Unplanned readmissions refer to readmissions due to adverse events such as hospital-acquired infections, falls resulting in injuries, and problems with medication or medical devices. The standard measure used is the rate of unplanned readmission, compared to all discharges, occurring within 28 days of separation.

**Figure 3: Rate of unplanned readmissions within 28 days 2014–15  
per 1000 separations**



Source: THS

An improvement can be seen for all procedures (with the exception of Appendicectomy). THS advised it was using six-monthly reporting for clinical review with the aim to be below or equivalent to the Australian average. While the unplanned readmission rates had improved since the 2013 report, we were not given reasons as to why. Therefore, Recommendation 4 could not be fully satisfied.

#### *Treatment alternatives*

One method of improving hospital-bed throughput is to use alternatives to occupying a hospital bed. The 2013 report considered the following alternatives to hospitalisation:

- outpatient services
- HITH and community nursing
- nursing homes.

Recommendation 5 asked DHHS (now THS) to revisit the use of HITH programs at a State-wide level. In response, THS advised us of a number of specific initiatives for each region. We also noted that Hospital Avoidance (including HITH) was planned under the new executive structure being established by THS to ensure a State-wide focus. However, this was yet to be fully implemented.

Recommendation 6 asked DHHS and THO — North West (now THS) investigate reasons why North West Coast nursing home placement times for elderly patients were longer than the rest of the State and to develop strategies to reduce waiting times. In response, THS acknowledged that assessment delays were impacting on placements and length-of-stay in acute-care facilities. It advised that assessment times and overall length of stay for patients older than 65 years had been significantly reduced since the 2013 report. However, we were unable to verify the reduction and were not satisfied any new strategies had been developed to reduce waiting times. On that basis, we considered Recommendation 6 had only been partially implemented.

### 3.3.2 Status of Recommendations - DHHS

#### *Strategic planning*

Recommendations 10 to 16 remained the responsibility of DHHS's Public Health Services (PHS) unit (referred to as Population Health in the 2013 report).

In relation to Recommendation 10, we noted that the *Healthy Tasmania Five Year Plan*, released in July 2016, aligned responsibilities for primary preventive health activities across DHHS. We found that PHS's own *Strategic Plan 2015–18* supported DHHS's overall strategic direction for the department as a whole. We also noted PHS produces annual business plans supporting its strategic plan.

We found that the *Healthy Tasmania Five Year Strategic Plan* flowed from the high-level One Health System reforms and strategic directions (Recommendation 12), and that PHS's *Strategic Plan 2015-18* also supported the strategic direction for DHHS, including defined actions and programs that gave a clearer sense of what would be achieved (Recommendation 13).

In relation to Recommendation 14, DHHS advised the *Health and Wellbeing Mapping Report* informed the *Healthy Tasmania* consultation draft released in December 2015 and was used to develop the priorities for *Healthy Tasmania Five Year Plan*.

We noted that DHHS had developed an Outcomes Purchasing Framework and was developing a results-based accountability model to simplify information requirements and measurement, as requested by Recommendation 16. We were advised that training for these initiatives had commenced and will be incorporated into all future funding agreements.



### *Prioritising activities*

The 2013 report found DHHS had limited flexibility to prioritise the interventions it funded (Recommendation 11). DHHS advised it has been working on an Outcomes Purchasing Framework to guide the prioritisation of interventions funded through the community sector. An internal review of PHS's funding agreements with community-sector organisations applied the following criteria, based on whether the services provided were:

- based on PHS priorities
- effective, efficient and sustainable
- evidence-based and outcome focused
- contribute to improving health and wellbeing for Tasmanians in most need.

While we were satisfied a new assessment process was being put in place by DHHS, we were unsure whether it was yet in use.

### *Measuring success*

Recommendation 15, asked that strategic plans identify high-level and practical indicators of success and frequency of measurement. Based on our review of the *Healthy Tasmania Five Year Strategic Plan*, we were satisfied the plan contained high-level and practical indicators of success, which were to be measured annually. We also noted that PHS's *Strategic Plan 2015–18* identified similar indicators, as well as cross-referencing to indicators of success in funding agreements.

## **3.4** *Additional testing*

We undertook additional testing in relation to Recommendation 1 (RSI) and Recommendation 4 (unplanned readmissions). Our approach involved reviewing current data against testing performed during the 2013 report.

## **3.5** *Conclusion*

Individually, THS achieved an implementation rate of 58 per cent for its nine recommendations, while DHHS achieved a rate of 94 per cent for its seven recommendations. The overall implementation rate for all 16 recommendations was 74 per cent, which exceeded our benchmark of 70 per cent. We would have preferred to see a higher rate of implementation by THS and we encourage THS to continue pursuing those recommendations that drive improved performance.

### 3.6 Submissions and comments received

#### Department of Health and Human Services

The Secretary, Mr Michael Pervan, while not offering any overall comment on the report, requested a minor amendment, which we agreed to.

#### Tasmanian Health Service

Thank you for providing a copy of the draft “Hospital bed management and primary preventative health” report for comment.

It is pleasing that this report highlights improvement in Tasmanian public hospital Relative Stay Index (RSI) and our unplanned readmission rates for surgery, in comparison to national data. Our facilities and established governance committees are accustomed to reviewing this data.

As noted in this report, our individual facilities are engaged in benchmarking activities through Health Roundtable to identify improvement opportunities, including Average Length of Stay (ALOS), and we continue to see improvement in this area. It would be inappropriate however for the Tasmanian Health Service (THS) to make comment on ALOS performance dips in 2010–11, given that the THS, its current structure, governance and strategies were not in place at this time.

While acknowledging the value of this focused external review, it is perhaps important to recognise at this time the degree of organisational and strategic movement across the Tasmanian health system in very recent years. These changes have driven a new direction through the White Paper development and our new Tasmanian Role Delineation Framework, structural changes in the establishment of a separate Department of Health and Human Services (DHHS) and THS, and new operational priorities in the shape of initiatives such as the 18 point “Patients First” plan, addressing deliverables for improved patient flow and managing demand. As a result, a number of recommendations in this report have been subsumed in new programs of activity and in some cases, such as the Mersey Community/North West Regional Hospitals agenda, seen a change in focus. In order to effectively review and demonstrate health system improvement across Tasmania, it may be prudent to reconsider the relevance and desired outputs of the recommendations in this report, to ensure we are effectively



capturing evidence of activity against our current strategic goals.

The THS remains committed to pursuing recommendations that can continue to drive improved performance.

**Dr David Akorn**  
**Chief Executive Officer**



## **4 Teaching quality in public high schools**

---

## 4 Teaching quality in public high schools

### 4.1 Background

In order to succeed, high school students need quality teachers. This is established through national and international evidence, which demonstrates that a teacher's effectiveness has a powerful impact on students. Indeed, there is now a consensus that the single most important in-school factor influencing student achievement is teacher quality.

Given the importance of teachers, the performance of Australia's school teachers has come under the microscope in recent years, due to a slight decline in student outcomes. The Australian Government responded in 2008 with the Smarter Schools National Partnership for Improving Teacher Quality. This program provided the Tasmanian Government and non-government schools with \$10.5m over a five-year period and included requirements such as the introduction of performance reviews linked to national standards. In recent years, national standards have also been introduced to improve teacher quality.

All Tasmanian teachers must be registered with the Teachers' Registration Board (TRB). Newly trained teachers must progress through provisional registration before applying for full registration. The TRB also has the responsibility to develop and improve teaching standards.

In June 2014, we published *Teaching quality in public high schools* (the 2014 report). The objective of the audit was to assess the quality of teaching in public high schools. We did this by:

- reviewing teaching at a number of selected high schools (excluding colleges) to provide coverage of large and small, rural and urban schools across the State
- reviewing the registration, renewal and complaint procedures at the TRB
- examining data covering the period from 2007–08 to 2012–13.

Where possible, comparison with other states and territories and other countries was also undertaken.

In this Chapter, we examine the implementation of the seven recommendations made in the 2014 report. In addition, we revisit and update a number of performance measures available to the Department of Education (DoE) and used in the 2014

report to assess the performance of Tasmania's public high schools. These being:

- National Assessment Program Literacy and Numeracy (NAPLAN)
- Programme for International Student Assessment (PISA)
- Trends in International Mathematics and Science Study (TIMSS)
- retention rates.

## 4.2 *Audit conclusions*

The main findings of the 2014 report were that:

- while Tasmanian educational performance was slightly below Australian and international averages, it performed slightly above the national average when socio-educational factors were considered
- DoE had demonstrated implementation of the Tasmanian and Australian curricula, supported by assessment plans
- DoE monitored satisfaction levels and overall satisfaction levels for students and parents were at least reasonable. However, it was not always clear actions had been taken at the school level in response to any relatively poor survey results
- teachers had the necessary formal qualification of either full or provisional registration with TRB
- non-specialist teachers were widely used in public high schools and there was a lack of departmental guidance for school principals in relation to required skills, qualifications and experience. The provision of mentoring and professional learning went some way to alleviating these concerns
- DoE and schools had reasonable mechanisms to assess the performance of schools and the performance of individual teachers. They also had a range of strategies for improving the quality of teaching
- we were unable to determine the impact of relief teaching at a State-wide level but concluded that mechanisms existed to identify and address individual performance problems
- the TRB was implementing applicable legislation and standards in relation to teacher registration.

### 4.3 Status of recommendations

The report contained seven recommendations, which are shown in abbreviated form in Table 4.

**Table 4: Teaching quality in public high schools — degree of implementation (%)**

No.	Recommendations (abbreviated)	%
1	Develop an ambitious but achievable target for direct retention	75
2	Investigate ways to ensure higher levels of feedback from students and parents	100
3	Continue to engage with the Australian Curriculum, Assessment and Reporting Authority (ACARA) to develop a range of survey options	100
4	That school survey results are used more to inform school planning and that DoE follows up with schools to assess what action will be undertaken to address poorer results	75
5	Continue to develop targets that indicate to schools minimum expectations for long-term satisfaction levels	75
6	Develop pragmatic and flexible guidelines to assist principals decide whether teachers have the skills, qualifications and experience to teach particular subjects. Deviations to require departmental approval	25
7	Explore options to reduce cost and increase availability of professional learning opportunities, especially in remoter schools	100
<b>Number of recommendations</b>		<b>7</b>
<b>Average % implementation</b>		<b>79</b>

We found DoE had fully implemented three of the seven recommendations and partially implemented the four remaining recommendations. Our findings are detailed below.

#### *Retention rates*

The 2014 report stated that retention rates could be viewed as an indicator of the success of the Tasmanian education system. Two means of measuring retention rates were discussed in the 2014 report, the Apparent Retention Rate (ARR) and the Direct Retention Rate (DRR). The AAR is based on the number of students leaving Year 10 compared with the number of students still enrolled towards the end of Year 12. Alternatively, the DRR tracks the progression of individual students over the same

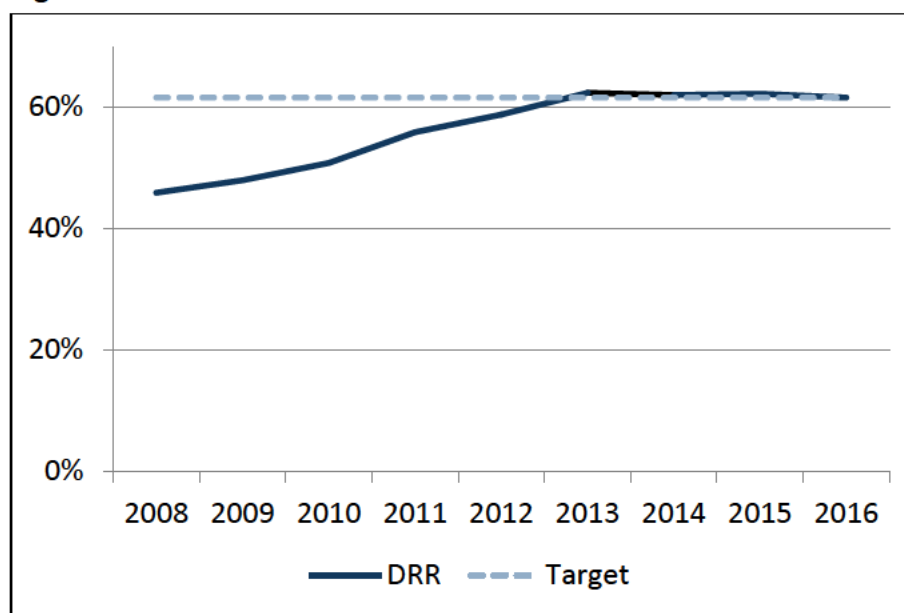
period of time. We agreed with DoE that the DRR was a more robust and useful measure of retention.

The 2014 report found that DoE did not have a target for direct retention to assist with performance measurement.

Recommendation 1 proposed that an ambitious but achievable target be developed.

Since the 2014 report, DoE has set a DRR target of 61.6 per cent as part of its Learners First Strategy. Figure 4 shows the DRR for government schools from 2008–2016.

**Figure 4: Tasmanian Government schools DRR 2008–16**



Source: DoE

Figure 4 shows a steady improvement over the period from 2008 (46 per cent) to 2013 (62 per cent). Since 2013, the DRR has plateaued at 62 per cent, which is near DoE's target.

While DoE has set a DRR target, we remain unconvinced the target was ambitious enough because it has already been reached. Accordingly, we assessed Recommendation 1 as not being fully implemented.

#### *School surveys: Response rates*

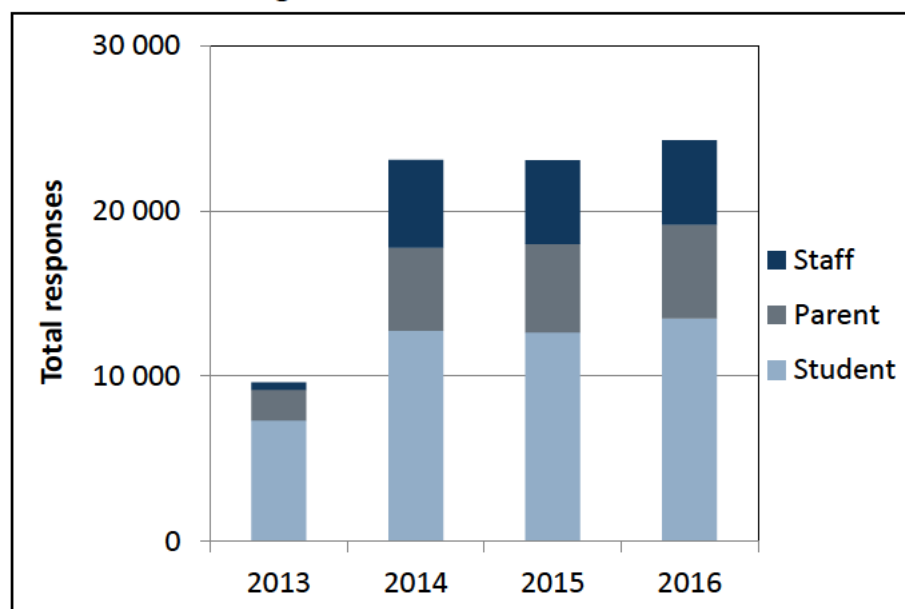
We found DoE had implemented a number of strategies since 2014 to increase School Satisfaction Survey (survey) response rates (Recommendation 2). Examples included posted survey invitations, coordination of popular school events with survey periods, advertising on social media and school webpages and provision of computer access at schools for parents without the internet or computer access.

In relation to Recommendation 3, DoE advised that ACARA supported the collaboration by jurisdictions on the wording of the surveys. During 2015 and 2016, DoE worked with participating jurisdictions in support of the maintenance of the online survey tool.

In addition to supporting the online survey tool, DoE had independently supported schools offering parents a paper-based survey. DoE advised us it was continuing to support schools' endeavours to increase survey participation.

While the 2014 report only examined the survey results for a sample of six high schools, we were provided with survey data for all government schools from primary to senior secondary. Figure 5 shows the survey response counts between 2013 and 2016 for staff, parent and students.

**Figure 5: Survey responses numbers from student, parent and staff in government schools 2013–16**



Source: DoE

Figure 5 shows the student population stable at around 62 000. The response rate by students was 12 per cent in 2013. It rose to 20 per cent in 2014 and has remained at that level. Overall, we considered the number of students completing the surveys as modest with ample scope remaining for further improvement. However, we were satisfied DoE had fully implemented Recommendations 2 and 3.

#### *School surveys: analysis and planning*

Recommendation 4 of the 2014 report asked DoE to better use survey results to inform school planning. DoE advised us its



survey datasets were now analysed by its Principal Network Leaders and General Managers in conjunction with schools to identify priority areas for school planning. Over the course of the year, schools are guided, monitored and supported in relation to the implementation of their school improvement plans.

We were advised DoE had developed, and is, currently implementing an on-line module as part of its school information portal. When fully implemented, key data from the school satisfaction surveys will automatically populate relevant sections of the planning and reporting templates and will be used to set school improvement targets.

We concluded that DoE had partially implemented Recommendation 4.

#### *Satisfaction level targets*

Our 2014 report noted that no targets existed for satisfaction levels. Without targets, it was difficult to form an opinion as to whether the observed parent and student satisfaction levels were acceptable. Recommendation 5 in the 2014 report recommended DoE develop targets to indicate minimum expectations for long-term satisfaction levels.

We found DoE had developed a School Improvement Report for each school, which combined key school improvement data across a range of priority areas including parent and student satisfaction. The report contained targets for each of the areas including satisfaction levels over a four-year period, aligned with the current four-year school review cycle. The report will be rolled out later in 2017. Accordingly, Recommendation 5 had not been fully implemented.

#### *Teacher assessment guidelines*

The 2014 report identified several teachers who were teaching outside of their specialities and proposed this may be common in public high schools in Tasmania. Recommendation 6 asked DoE to develop guidelines to assist principals when deciding whether teachers had the necessary skills, qualifications and experience to teach particular subjects.

We found that DoE had recently initiated a number of changes to the way high schools were staffed, including the appointment of regional human resources coordinators to ensure the needs of all schools were met and that teachers were teaching within their skill set. However, pragmatic and flexible guidelines to

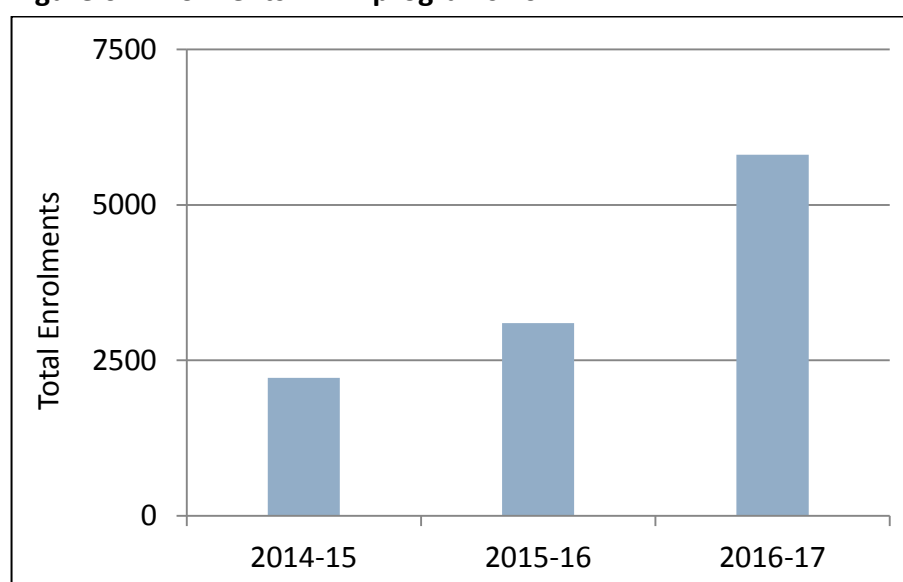
assist principals when deciding whether teachers had the necessary skills, qualifications and experience to teach particular subjects had not been developed. Therefore, Recommendation 6 had only been partially implemented.

#### *Professional development opportunities*

In relation to Recommendation 7, we found that DoE had effectively explored options to reduce costs and increase the availability of professional learning opportunities through the Professional Learning Institute (PLI). DoE has made available a wide range of professional learning opportunities to staff, across the agency, including remote areas. We noted DoE's PLI website provided a range of courses tailored to the needs of teachers and other DoE staff.

Figure 6 shows PLI enrolments during the three year period between July 2014 and 2017.

**Figure 6: Enrolments in PLI programs 2014–17**



Source: DoE

Figure 6 shows enrolments in PLI programs have continued to increase, indicative of the availability of professional learning opportunities increasing as per Recommendation 7.

#### **4.4** *Additional testing*

Audit fieldwork included a review of DoE's strategic, policy and procedural information and supporting data. Where possible, we also revisited selected criteria from the 2014 report to determine if any significant variations could be seen. We revisited a number of the measures contained in Chapter 1 of

the 2014 report — *Are external performance measures indicative of quality teaching?*

#### NAPLAN results

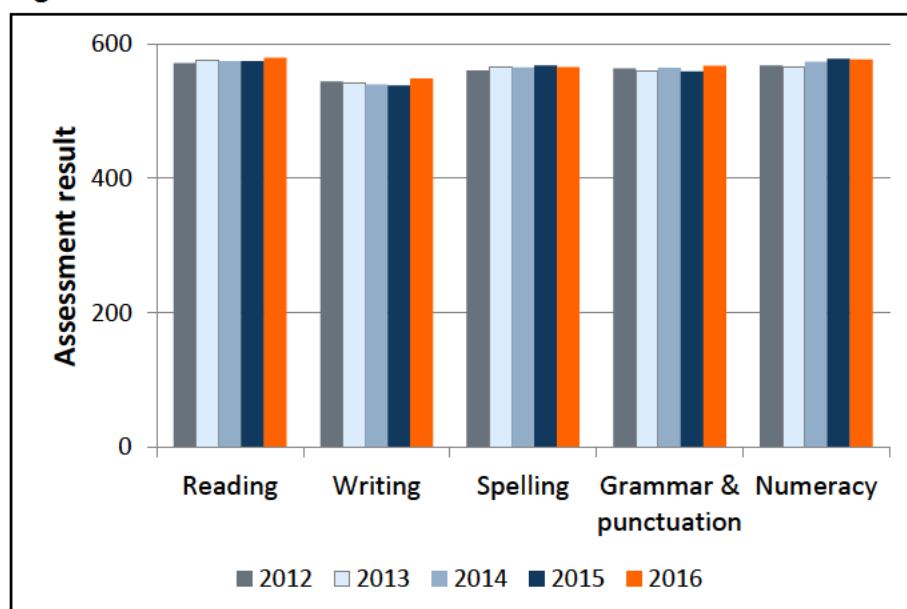
Our 2014 report highlighted that the most reliable literacy and numeracy assessment is NAPLAN, as it uses whole cohorts and has been developed specifically for Australian students. For secondary students, it tests Years 7 and 9.

NAPLAN, which commenced in 2008, has produced results for all jurisdictions for numeracy and a range of English-related assessments — reading, spelling, and grammar and punctuation.

We focused on Year 9 results as being a better indicator of high school teaching performance than Year 7 as by Year 9 students have been at high school for over two years.

Figure 7 compares Year 9 NAPLAN results from 2012 to 2016.

**Figure 7: NAPLAN Year 9 – results 2012–16**



Source: National Assessment Program, 'National Reports'.

Accessed 21 February 2016:

<http://reports.acara.edu.au/Home/TimeSeries>

The results for Year 9 show a slight improvement across all assessments between 2012 and 2016. However, the yearly variations were not considered significant except for numeracy<sup>14</sup>, which rose from 567.5 in 2012 to 576.5 in 2016.

<sup>14</sup> The Australian Curriculum and Assessment Reporting Authority, who publish the NAPLAN results, considered the other movements to be statistically insignificant.

In the 2014 report, we noted that when compared to similar Australian schools, Tasmania was performing slightly (statistically insignificant) above the average. Selection of similar schools was based on the Index of Community Socio-Educational Advantage (ICSEA)<sup>15</sup>. Further analysis of results on a category basis showed a similar pattern. As part of the follow up process, we revisited the comparison of the proportion of government schools' NAPLAN Year 9 mean scores compared to similar Australian schools.

**Table 5: Proportion of government schools' NAPLAN Year 9 mean scores compared to similar Australian schools — 2012**

<b>Domain</b>	<b>Below</b>	<b>Similar</b>	<b>Above</b>	<b>No result</b>
<b>Reading</b>	5%	50%	31%	14%
<b>Persuasive Writing</b>	12%	46%	28%	14%
<b>Spelling</b>	17%	53%	16%	14%
<b>Grammar &amp; Punctuation</b>	14%	50%	22%	14%
<b>Numeracy</b>	10%	60%	16%	14%

Source: 2014 report

---

<sup>15</sup> ICSEA includes factors such as parents' occupation, level of education and English proficiency. Australian Curriculum Assessment and Reporting Authority (ACARA), 'Guide to Understanding ICSEA', ACARA, 2012, p.7.

**Table 6: Proportion of government schools' NAPLAN Year 9 mean scores compared to similar Australian schools — 2016**

Domain	Below	Similar	Above	No result
Reading	2%	50%	37%	11%
Writing	4%	37%	48%	11%
Spelling	23%	57%	9%	11%
Grammar & Punctuation	2%	43%	44%	11%
Numeracy	5%	64%	20%	11%

Source: DoE

The 2014 report found that when compared to similar schools, Tasmanian schools performed well. This was because four of the five domains had a greater proportion of Year 9 scores above, rather than below, the Australian similar schools mean. When we undertook the same comparison, using 2016 data, we found that while Tasmania's performance against similar schools for spelling had worsened, it had improved for the other four domains. The updated comparison indicated to us that Tasmania's performance compared to other like schools throughout Australia had most likely improved.

#### *PISA results*

In the 2014 report, we looked at PISA, an international study that evaluates education systems worldwide, by assessing 15-year-olds' reading, mathematical and scientific literacy.<sup>16</sup> While PISA results are not considered as robust as NAPLAN, given NAPLAN uses full cohorts at the same year level and is more closely aligned with the Australian Curriculum. Also, Tasmanian students aged 15 are generally in a lower grade compared to

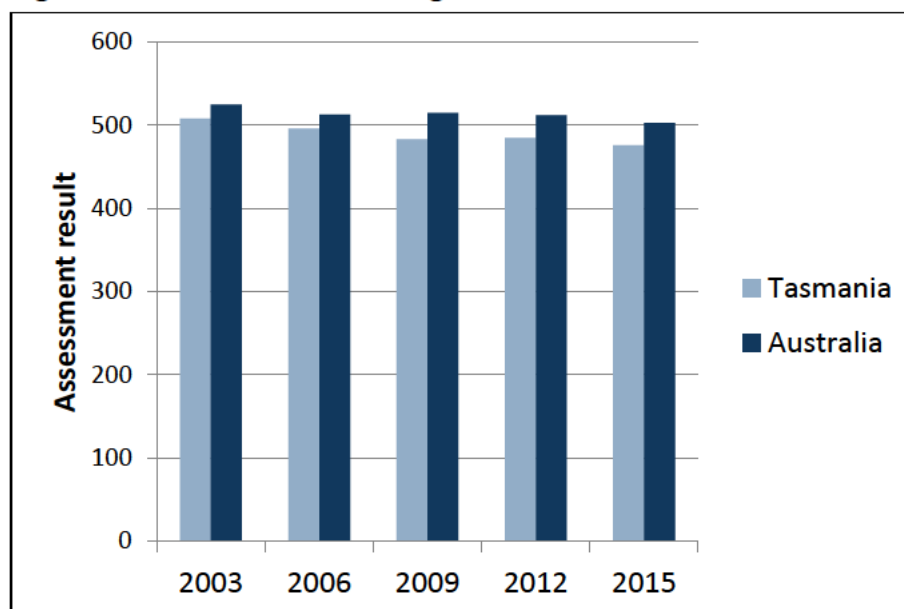
---

<sup>16</sup> Thomson, S, De Bortoli, L & Underwood, C, *PISA 2015: A first look at Australia's results: How Australia measures up*, Australian Council for Educational Research, Camberwell, 2016, p. xiv.

some other jurisdictions, because of differences in primary education systems.<sup>17</sup>

Figure 8 shows Tasmanian and Australian PISA results between 2003 and 2015 for reading, for both government and non-government schools.

**Figure 8: PISA results for reading 2003–15**



Source: Thomson, S, De Bortoli, L & Underwood, C, PISA 2015: A first look at Australia's results: How Australia measures up, Australian Council for Educational Research, Camberwell, 2016, pp. 16 (Aus) 31–33 (Tas).

Tasmania's PISA results for reading have shown a small (statistically insignificant) decline since our 2014 report. However, the decline in Tasmania's PISA result between 2003 and 2015 was 6.3 per cent and is considered more significant. During the same period, Australia's PISA reading score declined by 4.2 per cent. Tasmania's PISA reading score was also significantly lower than the OECD average.<sup>18</sup> Again for the same 12-year period, Tasmania's PISA results for maths and science showed a similar decline.

<sup>17</sup> Ainley, J & Gebhardt, E, *Measure for Measure: A review of outcomes of school education in Australia*, Australian Council for Educational Research, 2013, p. 6.

<sup>18</sup> Thomson, S, De Bortoli, L & Underwood, C, op. cit. p. 32.

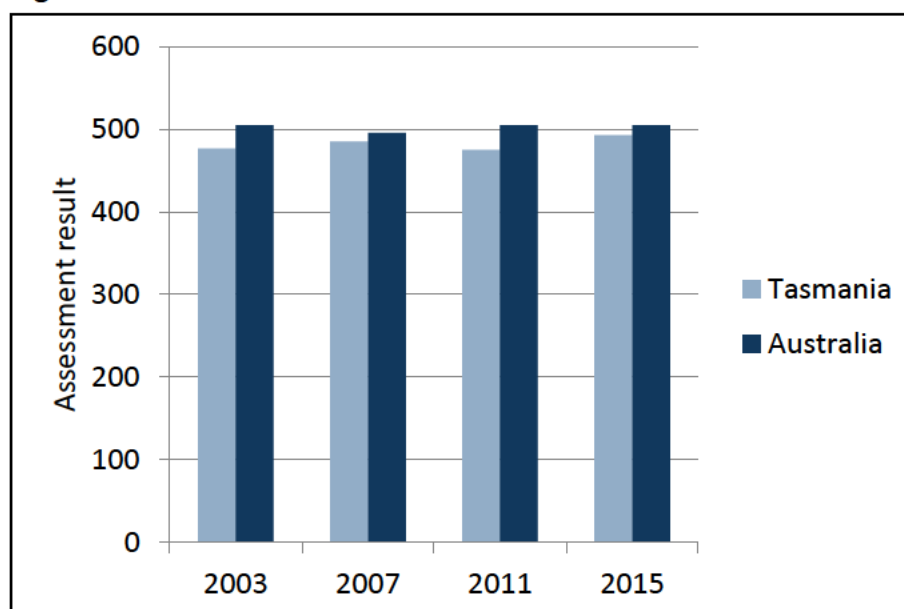
In summary, PISA scores for Tasmanian schools were below the national average, but the primary factor for this indicator may again be the use of the 15-year-old cohort in Tasmania.

#### *TIMSS results*

International comparison is also undertaken in over 50 countries by TIMSS, which assesses the performance of Year 8 government and non-government students in mathematics and science. The TIMSS results were based on testing in Year 8, less than halfway through high school. In addition, like PISA, TIMSS uses sample assessments, which are not as reliable as NAPLAN (whole cohorts).

In the 2014 report, we looked at the results for Tasmania over an eight-year period (2003–11). Figure 9 shows the 2015 TIMSS results for mathematics.

**Figure 9: TIMSS results for Year 8 mathematics 2003–15**



Source: Thomson, S, Wernert, N, O'Grady E & Rodrigues, S, *TIMSS 2015: A first look at Australia's results*, Australian Council for Educational Research, p. 29 (Aus) p. 35 (Tas).

While there was no change for Tasmania between 2003 and 2011, we noted the score between 2011 and 2015 did slightly improve. All years in Figure 9 were above TIMSS's intermediate international benchmark of 475, but still below the 500 average. As with PISA and NAPLAN scores, Tasmanian results were still marginally but consistently lower than the Australian results. We also found similar results for science.

#### 4.5 Conclusion

We found DoE had fully implemented three of the seven 2014 recommendations and partially implemented the four remaining recommendations. The overall rate of implementation by DoE was 79 per cent, which exceeded our 70 per cent benchmark.

#### 4.6 Submissions and comments received

##### Department of Education

Thank you for providing me with Chapter 4 of the follow up report: *Teaching quality in public high schools* 2014. I welcome the opportunity to comment on the report and thank the Tasmanian Audit Office for their work.

Since the publication of the *Teaching quality in public high schools* report in June 2014, the Department of Education has undertaken significant work to implement the recommendations. It is pleasing to have either fully or largely completed the majority of recommendations, exceeding the Audit Office's overall 70 per cent benchmark.

With respect to the specific recommendations:

##### **Recommendation 1**

The Direct Retention Rate (DDR) target of 61.6% was established to measure the success of the Department's Strategic Plan, Learners First 2014-17. At the time of setting the target, it was noted that the Direct Retention Rate (DRR) trend from 2008 showed very significant improvement. The rate of improvement was considered unsustainable, so a target was agreed upon to reflect a predicted consolidation of growth, which eventuated.

With the development of the Department's new Strategic Plan for 2018-21, the Department has established a working group to review all key performance indicators (KPIs). The Department is implementing a major Government initiative extending high schools to years 11 and 12. High Schools and Colleges are also working collaboratively to improve the transition of students from year 10 to 11 and beyond. It is planned that this will improve the DRR and the target will need to reflect this.

##### **Recommendation 4**

This recommendation referred to improving the use of survey results to inform school planning. The Department provides direct follow-up via Principal Network Leaders and General Managers in key data sets including school survey results. This



follow up assists principals identify key focus areas for school improvement hence the Department considers the Recommendation to be fully completed. Future plans to include school survey results on the Department's award winning edi portal, will ensure that they will further inform school decision making and represent a major innovation in the Australian education sector.

### **Recommendation 5**

The Department acknowledges that Recommendation 5 has not been fully implemented. The Department has however, placed considerable effort to prioritise the collection and analysis of data to improve outcomes. The ongoing development of individual School Improvement Reports will include targets for a range of priority areas including satisfaction levels. This is included in scope of the working group to review KPIs.

### **Recommendation 6**

This recommendation related to the development of guidelines assisting principals with assigning teachers to subject areas. The Department's assessment of partial completion differs to that of the report. Principals are well informed of individual teacher qualifications and experience via close liaison with regional human resource coordinators. In addition, this liaison provides oversight addressing the second part of the Recommendation 6 concerning the approval of deviations in qualifications or experience.

It should be noted that the Department is investigating other strategies to provide further support to principals in relation to staffing allocations.

It should also be noted the Department is progressing a major workforce planning initiative. Five initiatives commenced in 2015:

- Teacher Intern Placement Programme
- Teacher Development Specialists - Mathematics and Science
- School Leaders/Principals Development
- Paraprofessional Development
- Business Managers Development.

We acknowledge the continued NAPLAN improvement since 2012 and that Tasmania's improved performance relative to similar Australian schools, after allowing for socio-economic effects as measured by the Index of Community Socio-

Educational Advantage (ICSEA). It is also pleasing to note that Tasmania's performance compared to other like schools throughout Australia had improved in relation to literacy and numeracy.

I am pleased to acknowledge that the follow up report recognises the work of teachers, school leaders and the Department in ensuring that students in our high schools are afforded quality teachers.

**Jenny Gale**  
**Secretary**

### Teachers Registration Board

Thank you for the opportunity to respond to the draft copy of the Follow Up Report prepared by the Tasmanian Audit Office on Teaching Quality in Public High Schools 2011 - 2014.

We note that the report acknowledges and affirms the role that the Teachers Registration Board has in contributing to teacher quality in Tasmania through the implementation of legislative requirements for Tasmanian teachers as described by the *Teachers Registration Act 2000* (the Act).

In responding to this report, the Board also affirms that teacher quality is central to the success of student learning and that teacher qualifications and suitability to teach are fundamental requirements of the registration process.

In regard to teacher standards, the Teacher Registration Board, through its responsibilities as provided by the Act, previously developed the Tasmanian Professional Teaching Standards Framework in 2006 in conjunction with key stakeholders. However, the Australian Professional Standards for Teachers published by the Australian Institute for Teaching and School Leadership (AITSL) in 2011 are now utilised by the Board in all matters regarding teacher performance.

The Board also continues to promote a Tasmanian Code of Ethics for all teachers.

**Stephen Mannering**  
**Chair**

## **Recent reports**

---

## Recent reports

<b>Tabled</b>	<b>No.</b>	<b>Title</b>
November	No. 6 of 2015-16	Financial Statements of State entities, Volume 3 — Local Government Authorities and Tasmanian Water and Sewerage Corporation Pty Ltd 2014-15
December	No. 7 of 2015-16	Financial Statements of State entities, Volume 1 — Analysis of the Treasurer's Annual Financial Report, General Government Sector Entities and the Retirement Benefits Fund 2014-15
February	No. 8 of 2015-16	Provision of social housing
February	No. 9 of 2015-16	Funding of Common Ground Tasmania
May	No. 10 of 2015-16	Financial Statements of State entities, Volume 4 — State entities 30 June and 31 December 2015 findings relating to 2014-15 audits and other matters
June	No. 11 of 2015-16	Compliance with legislation
September	No. 1 of 2016-17	Ambulance services
October	No. 2 of 2016-17	Workforce Planning
October	No. 3 of 2016-17	Annual Report
November	No. 4 of 2016-17	Event funding
November	No. 5 of 2016-17	Park management
November	No. 6 of 2016-17	Volume 1 – Analysis of the Treasurer's Annual Financial Report 2015-16
November	No. 7 of 2016-17	Volume 2 – Auditor-General's Report on the Financial Statements of State entities - Government Business 2015-16
November	No. 8 of 2016-17	Volume 3 – Auditor-General's Report on the Financial Statements of State entities, Volume 3 – Local Government Authorities and Tasmanian Water and Sewerage Corporation Pty Ltd 2015-16.
March	No. 9 of 2016-17	Funding the forest agreements

## **Current projects**

---

## Current projects

The table below contains details of performance and compliance audits that the Auditor-General is conducting and relates them to the *Annual Plan of Work 2016–17* that is available on our website.

<b>Title</b>	<b>Audit objective is to...</b>	<b><i>Annual Plan of Work</i> reference</b>
<b>Tasmanian prisons</b>	... form an opinion on the effectiveness and efficiency of the Tasmania Prison Service's financial management of its custodial facilities.	Page 17 Topic No. 1
<b>Gambling revenue and harm minimisation</b>	... express an opinion on: <ul style="list-style-type: none"><li>• managing the collection of gambling revenue</li><li>• the effective management of the CSL</li><li>• the effectiveness and enforcement of regulatory harm minimisation measures.</li></ul>	Page 18 Topic No. 3
<b>TasWater, the benefits of formation</b>	... assess the extent to which the benefits, as envisaged by the Tasmanian Government in the 2008 and 2013 water and sewerage reforms, have been achieved.	Page 18 Topic No. 4

## AUDIT MANDATE AND STANDARDS APPLIED

### Mandate

Section 17(1) of the *Audit Act 2008* states that:

‘An accountable authority other than the Auditor-General, as soon as possible and within 45 days after the end of each financial year, is to prepare and forward to the Auditor-General a copy of the financial statements for that financial year which are complete in all material respects.’

Under the provisions of section 18, the Auditor-General:

- ‘(1) is to audit the financial statements and any other information submitted by a State entity or an audited subsidiary of a State entity under section 17(1).’

Under the provisions of section 19, the Auditor-General:

- ‘(1) is to prepare and sign an opinion on an audit carried out under section 18(1) in accordance with requirements determined by the Australian Auditing and Assurance Standards
- (2) is to provide the opinion prepared and signed under subsection (1), and any formal communication of audit findings that is required to be prepared in accordance with the Australian Auditing and Assurance Standards, to the State entity’s appropriate Minister and provide a copy to the relevant accountable authority.’

### 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.



## Tasmanian Audit Office

**Phone** (03) 6173 0900  
**Fax** (03) 6173 0999  
**email** [admin@audit.tas.gov.au](mailto:admin@audit.tas.gov.au)  
**Web** [www.audit.tas.gov.au](http://www.audit.tas.gov.au)

### Launceston Office

**Phone** (03) 6173 0971

**Address** Level 8, 144 Macquarie Street,  
Hobart

**Postal Address** GPO Box 851, Hobart 7001

**Office Hours** 9am to 5pm Monday to Friday

**Address** 2nd Floor, Henty House  
1 Civic Square, Launceston