



2023-24

Performance Audit Program

The Auditor-General is a key part of the governance arrangements of the Australian Capital Territory. Put simply, the role of the Auditor-General is to provide assurance to the community that those responsible for the public administration of the Territory are undertaking their roles efficiently and effectively and are publicly accountable for the outcomes of their decisions and actions.

The legislation that provides the authority for the Auditor-General contains important safeguards to ensure the work undertaken is independent of the political process, cannot be obstructed by non-compliance or non-cooperation and cannot be constrained in the choice of topics or subject matter audited.

There are three specific principles in the legislation that provide the community with confidence that the reports that the Auditor-General publishes are factual,

evidence-based and unbiased accounts of the financial and administrative operations of the Territory.

These three principles establish, as a matter of law, that the Auditor-General:

- is an officer of the ACT Legislative Assembly and more specifically is not part of the government or the public service, both of which are the subject of audits;
- has complete discretion to determine what is audited, how it is audited, what is reported and how it is reported; and
- is not subject to direction by anyone either to do something or, just as importantly, to not do something.

The performance audit program provides information on areas of public administration that could be the subject of audit attention for 2023-24 and future years.



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Planning and consultation

The ACT Audit Office plans for future performance audits through a detailed review process of proposed audit topics. The forward program provides stakeholders with information on the short to medium-term priorities of the ACT Audit Office.

Performance audits for 2023-24 are scoped in more detail, so that the ACT Audit Office and auditees are informed as to the potential objective and scope of each audit. Performance audits for subsequent years are dependent on priorities into the future.

The ACT Audit Office has developed the performance audit program having regard to its mandate, strategic plan, and the interests of the ACT Legislative Assembly and the ACT community.

The performance audit program aims to balance coverage across ACT Government agencies and focus on topics that are of interest to the ACT Legislative Assembly and the community.

The performance audit program may be subject to change because of additional planning or new and emerging priorities or risks. This may include the need to conduct urgent investigations, reviews or audits.

In developing the performance audit program, the ACT Audit Office has consulted with:

- the Public Accounts Committee;
- the Speaker of the ACT Legislative Assembly;
- Members of the ACT Legislative Assembly;
- the Head of Service;
- Directors-General and Chief Executive Officers (or their equivalents);
- statutory office holders of various ACT government agencies; and
- other community stakeholders.

This consultation has strengthened our understanding of public administration in the Territory.

Feedback through the consultation process was considered when selecting potential audit topics for the *2023-24 Performance Audit Program*. However, the Auditor-General ultimately determines the performance audit program.



Selecting audit topics

Selecting audit topics is a key part of the Auditor-General's independence. As part of exercising this independence responsibly, the ACT Audit Office seeks to:

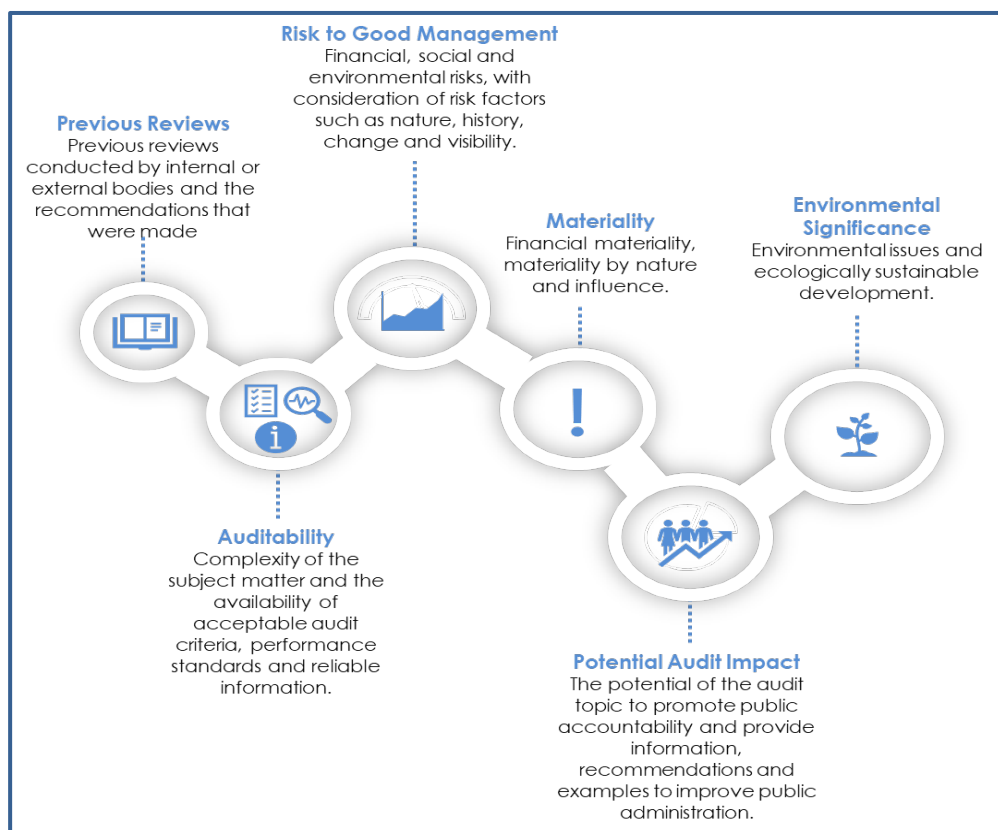
- promote transparency, accountability, and value for money in the delivery of public services;
- provide the ACT Legislative Assembly with independent assessments of the performance of public sector bodies; and
- respond to emerging issues of importance to the ACT Legislative Assembly and broader community.

At times, the ACT Audit Office may receive representations and public interest disclosures. The Auditor-General considers

the most appropriate way to deal with each of these, including (potentially) through a performance audit. The development of the program has been informed by a review of representations and any public interest disclosures received by the office.

The performance audit program also seeks to provide reasonable coverage across ministerial portfolios and of significant government activities over time. The ACT Audit Office seeks to avoid having too many audits in one agency, as this may affect the capacity of the agency to deal with the audits.

In considering potential audit topics, the ACT Audit Office considers six criteria as described below.



2023-24 performance audit topics

Audits to be delivered

Eighteen audits are planned to be delivered over the next two years.

The performance audit program lists audits based on the year the audit is expected to commence, as many audits do not start and finish in the same financial year. Some audits are in progress at the time of publication of this program and these have been identified.

The performance audit program is designed to be flexible and responsive, so that we can focus on the right audits at the right time and use our resources to make a difference in the ACT community.

Experience has shown that some proposed audits may no longer be required due to circumstances changing in the subject areas. To allow for this, the future performance audit program includes more audits than are expected to be delivered.

The 2023-24 program includes two series of thematic audits that are expected to be conducted over multiple years. The audits will consider key service delivery arrangements and digital service systems. It is intended that each series of audits will result in three reports for tabling in the Assembly.

Key Focus Areas

The Auditor-General has identified six key focus areas for the performance audit program, including:

- Effectively protecting the environment.
- Making evidence-based decisions to invest wisely for the future and reduce waste.
- Providing a safe and inclusive community.
- Delivering effective services to meet the expectation of the community.
- Learning from the past deliver improved outcomes.
- Embracing technology, innovation and digital disruption.

Across these focus areas, the Auditor-General has identified topics that address the vulnerable sectors of the ACT community, recognising the benefits of high living standards are not shared by all Canberrans.

Each performance audit topic that forms the 2023-24 performance audit program aligns with a primary focus area. The potential audit objective and scope of each audit topic is provided in the subsequent pages of this document.



Auditor-General's Key Focus Areas

Effectively protecting the environment

Making evidence-based decisions to invest wisely for the future and reduce waste

Providing a safe and inclusive community

Delivering effective services to meet the expectation of the community

Learning from the past to deliver improved outcomes

Embracing technology, innovation and digital disruption



Effectively protecting our environment

Audit Topic	Potential Auditee/s	Potential Objective and Scope
Nature reserves	Environment, Planning and Sustainable Development Directorate	<p>Parks and reserves are a significant part of the ACT's identity as a bush capital. They are an asset to the environmental, cultural and social fabric of the Territory, but present a number of risk factors, including pest animals and plants and bushfires.</p> <p>The audit could consider the effectiveness of the arrangements in place to develop, implement, monitor, and review reserve management plans in the Territory. The scope of the audit could include:</p> <ul style="list-style-type: none"> the policies, procedures, and guidance in place to support the requirements of the <i>Nature Conservation Act 2014</i>; the policies, procedures, and practices in place to support the development and maintenance of reserve management plans; an assessment of how the reserve management plans are implemented; and an assessment of the monitoring, reporting and evaluation of the reserve management plans.
Urban tree management (In progress)	Transport Canberra and City Services Directorate	<p>The Transport Canberra and City Services Directorate is responsible for managing and maintaining trees on public land. This includes trees on suburban streets, in parks, at local shopping centres, on major road nature strips and across open spaces in Canberra. The trees are managed through the urban tree management program.</p> <p>The Territory's <i>Urban Forest Strategy (2021-2045)</i> sets out the ACT Government's vision for a 'resilient and sustainable urban forest that supports a liveable city and the natural environment and contributes to the wellbeing of the community in a changing climate'. A key objective of the Strategy is to create a 30 percent tree canopy cover in urban areas of the ACT.</p> <p>This audit is assessing the effectiveness of Transport Canberra and City Services' management of urban trees to support the 'goal of achieving 30 percent tree canopy cover by 2045.</p>



Making evidence-based decisions to invest wisely for the future and reduce waste

Audit Topic	Potential Auditee/s	Potential Objective and Scope
Multi-year thematic audits		
Outsourced service delivery arrangements	Various directorates	<p>The Territory has engaged key external service providers to deliver essential public services to the ACT community. The audits could consider key high-value service delivery arrangements and consider whether the Territory's management and administration of these arrangements contributes to effective service delivery and value for money.</p> <p>The audits will focus on the following key service delivery arrangements:</p> <ul style="list-style-type: none">• Australian Federal Police policing arrangement (Justice and Community Safety Directorate) This audit would focus on the Territory's agreement with the Australian Federal Police for policing services. A new policing arrangement was implemented in September 2022 and is in place until 30 June 2026.• Total Facilities Management (Housing ACT, Community Services Directorate) This audit would focus on the Territory's agreement with Programmed Facility Management Pty Ltd for the maintenance of social housing. The procurement of these services was previously reported on in Report No. 2/2021.



Providing a safe and inclusive community

Audit Topic	Potential Auditee/s	Potential Objective and Scope
Safer Families Levy	Community Services Directorate	<p>Domestic and family violence is a pervasive and serious problem in Australia, with 44.8 percent of all Australians having experienced violence since the age of 15.</p> <p>As part of the 2016-17 Budget the ACT Government announced a Safer Families package, valued at \$21.4 million over four years. To fund the Safer Families package, a Safer Families Levy was established, and a series of initiatives commenced. The levy has progressively increased and will be charged at a rate of \$50 per household from 2024-25 through annual rates payments. The levy has raised over \$30 million since its implementation.</p> <p>The audit could consider how expenditure for the Safer Families Levy is planned, monitored and reported. The audit could also consider whether the expenditure is directed for the purposes provided for in the levy's policy intent, and how the effectiveness of initiatives funded by the levy is monitored and evaluated.</p>
Minimising harm from gambling – poker machines	Chief Minister, Treasury and Economic Development Directorate	<p>The ACT Gaming and Racing Commission (GRC) is responsible for controlling, supervising and regulating gaming in the ACT. Its functions are carried out by Access Canberra staff.</p> <p>Electronic gaming machines (poker machines) represent a key form of gaming in the ACT. As at June 2022, there were 3646 poker machines across 48 venues in the ACT. In 2021 total losses attributable to poker machines were \$143.7 million.</p> <p>The GRC, through Access Canberra, is responsible for overseeing a number of compliance and enforcement activities that seek to reduce the incidence of gambling harm. These include ensuring various harm minimisation practices are in place across licensed venues, including staff training, and the use of gambling incident registers and self-exclusion registers.</p> <p>The audit could consider the effectiveness of the Commission's activities to minimise the harm associated with poker machines in the ACT.</p>



Delivering effective services to meet the expectations of the community

Audit Topic	Potential Auditee/s	Potential Objective and Scope
Compliance and enforcement in the construction industry	Access Canberra	<p>Access Canberra is responsible for the licensing and regulation of the ACT construction industry.</p> <p>In March 2023 the <i>Construction occupations licensing</i> audit report (Report No 1/2023) was tabled in the Legislative Assembly. It focused on Access Canberra's administration of the licensing arrangements for the construction occupations industry.</p> <p>This audit could consider the effectiveness of Access Canberra's compliance and enforcement activities for the construction industry. The audit could focus on the frameworks and practices in place to minimise and address incidents of non-compliance.</p>
Youth mental health services (In progress)	Canberra Health Services	<p>This audit is focusing on the planning and delivery of services for the Territory's young people (12 to 18 years) with moderate to severe mental illness. These services are primarily delivered by the Canberra Health Services' Child and Adolescent Mental Health Service (CAMHS) and include psycho-social supports, specialist mental health services and acute care.</p> <p>The audit is considering the inputs to the planning of these services, whether the services are consistent with best practice or relevant standards and if they are effectively meeting the needs of the Territory's young people.</p>
Courts administration	Justice and Community Safety Directorate	<p>In response to ageing ACT Courts infrastructure, construction on the new ACT Law Courts Facility was completed in 2020. A significant focus of the \$150 million project was to increase the number of court rooms available to meet the growing population of the Territory and strengthen operations with the aim of improving access to justice for the ACT community.</p> <p>The audit could consider whether effective and efficient governance and administrative processes have been implemented that support the aims of the new ACT Law Courts Facility.</p>



Delivering effective services to meet the expectations of the community

Audit Topic	Potential Auditee/s	Potential Objective and Scope
<p>Supports for students with disability in ACT public schools (In progress)</p>	<p>Education Directorate</p>	<p>All students in the ACT can attend their local public school. In partnership with the student, parents/carers and relevant practitioners, the Education Directorate is required to make reasonable adjustments for students with a disability at the time of enrolment and during the course of their education. Supports must assist students with a disability to access schooling on the same basis as their peers including participation in the school curriculum, programs, and activities.</p> <p>The audit is considering the Education Directorate's practices to provide reasonable adjustments for students with disability in ACT public schools. This includes policies and procedures for:</p> <ul style="list-style-type: none"> • enrolling students with disability; • providing reasonable adjustments to support students with disability in their learning; • activities to give professional learning pathways for learning support assistants; and • the Education Directorate's activities to monitor, review and continuously improve its practices to provide reasonable adjustments for students with disability.
<p>Public Housing Renewal Program</p>	<p>Housing ACT (Community Services Directorate)</p>	<p>Appropriate and affordable housing is essential for all people. There is increasing demand for social and affordable housing in the ACT.</p> <p>Housing ACT owns and manages an \$8 billion social housing portfolio to meet the housing needs of low income and disadvantaged people. Housing ACT's <i>Growing and Renewing Public Housing Program</i> aims to build 400 additional public housing homes and renovate 1,000 public housing homes, to make them more energy efficient and better meet the needs of tenants. The program commenced in 2019 and aims to deliver new and renewed housing by 2026-27.</p> <p>In 2023, the ACT Legislative Assembly's <i>Inquiry into Cost of Living Pressures in the ACT</i> recommended the Auditor-General consider conducting a performance audit into the management of the <i>Growing and Renewing Public Housing Program</i>.</p> <p>The audit could consider the effectiveness of arrangements to identify public housing for sale and renewal, build new housing and meet the needs of tenants.</p>



Learning from the past to deliver improved outcomes

Audit Topic	Potential Auditee/s	Potential Objective and Scope
Governance arrangements of selected ACT Government entities	<p>Cross-Agency which may include:</p> <p>Cultural Facilities Corporation</p> <p>ACT Cemeteries</p> <p>Long Service Leave Authority</p> <p>Building and Construction Training Fund Authority</p>	<p>Various ACT Government entities are supported by boards and committees that vary in size, scope and status. The boards and committees have significant responsibilities for the governance of the entity, and often make decisions that have a key impact on the ACT community and Government.</p> <p>The entities' governance arrangements play an essential role in providing advice, assistance and guidance to the management of the entity. It is essential that the boards and committees are accountable and that their decision-making processes are above reproach and transparent.</p> <p>The audit could consider the effectiveness of governance arrangements across selected ACT Government entities. This could include the appropriateness of their terms of reference, composition and operational arrangements to support effective decision-making.</p>



Embracing technology, innovation and digital disruption

Audit Topic	Potential Auditee/s	Potential Objective and Scope
Multi-year thematic audits		
Digital service implementation	Various directorates	<p>The ACT Government has implemented various IT systems to support the delivery of essential public services to the Territory.</p> <p>The audits could examine the planning and implementation of three IT systems. Each audit could consider whether:</p> <ul style="list-style-type: none"> the needs of service users were well-defined and understood; effective benefits realisation practices were implemented; risks, including for data security and change management, were planned for, and managed effectively; and there were appropriate governance arrangements in place. <p>The systems that could be examined include:</p> <ul style="list-style-type: none"> Digital Health Record <i>(Health Directorate)</i> The newly implemented patient management system launched in November 2022. Reimagining Gateway Services <i>(Community Services Directorate)</i> The new digital services that are being implemented for receiving, assessing, and managing social housing applications. School administration system <i>(Education Directorate)</i> A series of modules that have been incrementally implemented since April 2018 to support student and school administration, including student attendance, wellbeing and academic reporting.



Embracing technology, innovation and digital disruption

Audit Topic	Potential Auditee/s	Potential Objective and Scope
Public Trustee and Guardian – IT infrastructure renewal projects	Public Trustee and Guardian	<p>As part of its post-merger Business Transformation Project, the Public Trustee and Guardian (PTG) has, since 2017, been planning and implementing IT infrastructure renewal projects. This has included the implementation of a series of modules on the Microsoft Dynamics platform.</p> <p>Project management and governance arrangements for the implementation of the modules have evolved over time. The PTG has also used different suppliers for different aspects of the system.</p> <p>The audit could consider the PTG's planning and implementation of the platform. This could include:</p> <ul style="list-style-type: none">• the identification and documentation of the PTG's business needs;• project management and governance arrangements for the implementation of the Dynamics platform, and• procurement arrangements for the engagement and management of suppliers for the project.

2024-25 potential performance audit topics

The following potential audit topics are under consideration for commencement in 2024-25. Further planning will refine the scope and focus of each audit. Stakeholders will be consulted during the planning phase of the 2024-25 Performance Audit Program.

Audit Topic	Potential Auditee/s	Potential Objective
Strategic planning for sports infrastructure	Chief Minister, Treasury and Economic Development Directorate	<p>The ACT Government's <i>Sport and Recreation Facilities Roadmap (2020-2024)</i> identifies \$167 million worth of key sports and recreation projects for 2020 to 2024. The infrastructure projects are varied and include for example: a new pavilion at the Phillip District Enclosed Oval; construction of a new ice sports facility at Greenway; a new district tennis facility at Amaroo; and lighting upgrades at the Hawker Softball Centre.</p> <p>The audit could consider the effectiveness of the ACT Government's strategic planning for sports infrastructure, and processes for the determination and allocation of sports infrastructure funding.</p>
The Capital Framework	Chief Minister, Treasury and Economic Development Directorate	<p>The Capital Framework is a process for the upfront assessment of capital works funding proposals in the ACT. It applied to capital investment proposals since July 2015. A review of the Capital Framework commenced in 2020, and a revised Capital Framework is expected to be implemented in 2023.</p> <p>The audit could consider the effectiveness of the Capital Framework and whether it is fit-for-purpose and supports effective investment decision-making.</p>
Early education for three-year-olds	Education	<p>The Education Directorate is implementing three-year-old preschool education across the Territory from 2024. Provided under <i>Set up for Success: An Early Childhood Strategy for the ACT</i>, it aims to provide 15 hours per week of universal early childhood education for all three-year-old children in the ACT. This follows an initial rollout of 500 priority places for eligible families that commenced in 2020.</p> <p>The audit could consider the effectiveness of the planning and implementation of universal preschool for three-year olds and preparations for its evaluation.</p>

Audit Topic	Potential Auditee/s	Potential Objective
Energy Efficiency Rating Scheme	Environment, Planning and Sustainable Development Directorate	<p>Many renters in the ACT are living in poor quality housing that is expensive to heat or cool. In 2023 the ACT introduced a minimum standard for energy efficiency for ceiling insulation in rental properties. Landlords will be required to report (in advertisements and lease agreements) whether a rental meets minimum standard and will have 9 months to comply with the standard.</p> <p>This audit could consider the effectiveness of the ACT Government's implementation and monitoring of the new standard, including landlords' compliance.</p>
Emergency Services Agency (ESA) operational planning and acquisition	Justice and Community Safety Directorate	<p>The Emergency Services Agency comprises four operational services including the ACT Ambulance Service, ACT Fire and Rescue, ACT Rural Fire Service and the ACT State Emergency Service. Significant effort is required to appropriately plan for the equipping and support of the services.</p> <p>This audit could consider the effectiveness of the ESA's strategic and operational planning for the equipping and support of the services, including:</p> <ul style="list-style-type: none"> • multi-hazard strategic policy development, planning and co-ordination; and • planning for equipment, facilities and support systems.
Oversight of adult offenders subject to bail conditions	Justice and Community Safety Directorate	<p>Bail is an important element of any justice system and has significant benefits both for people accused of offences and the Territory. Bail does, however, come with an element of risk that needs to be managed. This occurs through monitoring and enforcement of bail conditions by ACT Corrections, ACT Police and the Courts.</p> <p>The audit could assess the effectiveness of the administration and management of adults on bail.</p>
Road infrastructure maintenance	Transport Canberra and City Services Directorate	<p>Roads ACT manages a road network approximately 5,900 kilometres in length. This asset deteriorates over time due to the impact of traffic and environmental factors.</p> <p>This audit could consider the effectiveness and efficiency of the planning and delivery of road maintenance activities including road resurfacing, pavement rehabilitation and patching.</p>

Audit Topic	Potential Auditee/s	Potential Objective
Planning for public transport infrastructure	Transport Canberra and City Services Directorate	<p>The Territory's public transport network continues to grow and diversify and includes commitments to shift to low emissions options.</p> <p>This audit could consider planning for the Territory's public transport infrastructure. The audit could consider planning for passenger exchanges, fleet depots and integrated ticketing systems.</p>
ACT concession, rebate, and subsidy schemes	Cross-directorate	<p>There are a variety of concession, rebate and subsidy schemes offered in the ACT. The schemes are intended to support low-income and vulnerable households with the cost of living. Various schemes are offered by different ACT Government directorates.</p> <p>The audit could consider whether these schemes are designed effectively to support low-income and vulnerable households, and whether the intended users are able to effectively access these supports.</p>
ACTPS workforce equity and inclusion	<p>Cross-directorate including:</p> <p>Emergency Services Agency;</p> <p>Transport Canberra; and</p> <p>Canberra Health Services.</p>	<p>The Respect, Equity and Diversity (RED) Framework is the key diversity and inclusion policy in the ACTPS. Underpinning the RED Framework are various other frameworks and strategies that aim to ensure workforce equity and inclusion practices are implemented by ACT Government directorates when planning, retaining, developing and managing staff.</p> <p>The audit could consider the effectiveness of the RED framework and associated strategies and examine how agencies implement relevant objectives to support equity and inclusion in their workforce planning and management practices.</p>