



Strategic Audit Plan 2018–21

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Summary

About this plan

Our legislation—the *Auditor-General Act 2009* (our Act)—requires us to prepare a strategic audit plan of the performance audits we propose to conduct over the coming three years. Our Act requires us to publish the plan on our website before 30 June each year. Visibility of our proposed program gives our clients and stakeholders forward notice of what we plan to audit, which helps them with their own planning.

To ensure that we focus on the things that matter, our strategic audit planning approach involves assessing the systemic challenges, risks, and opportunities facing the public sector and the community. This assessment shapes and drives our program of performance audits.

We update our plan annually, based on our current understanding of the public sector in Queensland. This allows us to have early conversations with our stakeholders, so we can refine and direct our efforts to maximise the benefits they receive from our audits.

[Appendix A](#) acquits the audits we included in last year's plan against the refinements made in this plan.

What is a performance audit?

Our Act authorises the Auditor-General to conduct a performance audit of all, or any particular, activities of a public sector entity.

In conducting a performance audit, we aim to establish whether the public sector entity is achieving its objectives economically, efficiently and effectively, and in compliance with all relevant laws.

Performance audits provide parliament and the public with assurance that the delivery of public sector services and the spending of public monies is accountable, transparent, and appropriate. Performance audits are funded by parliament through appropriation.

Our planning approach

When selecting performance audit topics, we focus our efforts where we can maximise the value our work will provide the public sector, parliament and the community. This means we have a sound approach to how we identify, prioritise, and select future audits.

We perform ongoing environmental scanning, intelligence gathering, and stakeholder engagement. We consider long-term international, national and Queensland priorities for social, environmental, and economic conditions that affect users of public services. Through our engagement with stakeholders—our clients, industry groups, academics, and community organisations—we obtain perspectives on risks and priorities to inform us.

From this, we generate a list of potential audit topics. We then apply assessment and prioritisation criteria and select those topics that are the most important for us to address over the next three years. Our assessment process is detailed in [Appendix B](#).



Our three-year performance audit plan

The performance audits we propose to conduct over the next three years are set out in the table below, grouped by the relevant parliamentary committee and the financial year we plan to table the audit report in the parliament.

We plan to conduct all the audits listed in 2018–19, but for 2019–21 and 2020–21 we propose to conduct a selection of the audits that we have listed for those respective years. We will determine the number of and specific audits we will conduct in those years based on the priorities and resources available at the time.

Performance audits by committee and planned year for tabling in parliament

	2018–19	2019–20	2020–21
	Audits	Selection from these audits	Selection from these audits
Economics and Governance Committee	Managing the cost of local government services	Establishing effective audit committees	Collecting state revenue
	Regulating food safety	Asset management in local government	Development applications and approvals
		Maintaining ecologically sustainable communities	
			Managing conflicts of interest
Education, Employment and Small Business Committee	Investing in vocational education and training	School program for students with a disability	
		Educating for the digital future	
Innovation, Tourism Development and Environment Committee	Conserving threatened wildlife		Monitoring environmental conditions for mining activities
			Managing oil and chemical spills
			Managing tourism and sustainability of Queensland's World Heritage sites
			Commonwealth Games legacy

Note 1: * denotes audits we commenced in 2017–18 but plan to table in the parliament in 2018–19.

Note 2: Performance audits take an average of nine months to complete before being tabled in the parliament. As a result, some audits will start up to nine months prior to the financial year they are listed in.



Performance audits by committee and planned year for tabling in parliament—continued

	2018–19	2019–20	2020–21
	Audits	Selection from these audits	Selection from these audits
Health, Communities, Disability Services and Domestic and Family Violence Prevention Committee	Planning for sustainable health services in Queensland	Healthcare pathways (waitlist management)	Preventing childhood obesity
	Queensland Child Protection Commission of Inquiry	Integrated care approach to chronic disease	Mental health service delivery
		Preventing and responding to domestic and family violence	Health outcomes for Aboriginal and Torres Strait Islander people
		Delivering guardianship services	
Transport and Public Works Committee	Managing cyber security risks	Delivering social housing and housing services	Transport service contracts
		Regulating builder registration	One-Stop Shop plan
			Open data
Legal Affairs and Community Safety Committee	Delivering forensic services*	Diverting young offenders from crime	Deploying police resources
	Delivering coronial services*	Managing electronic and digital evidence	Managing demand across the criminal justice system
State Development, Natural Resources and Agricultural Industry	Managing market-led proposals*	Monitoring and managing dam safety	Capital asset management and planning
		Evaluating major infrastructure projects	
		Managing coal seam gas activities	
		Addressing coal workers' pneumoconiosis	

Note 1: * denotes audits we commenced in 2017–18 but plan to table in the parliament in 2018–19.

Note 2: Performance audits take an average of nine months to complete before being tabled in parliament. As a result, some audits will start up to nine months prior to the financial year they are listed in.



Section 1 of this plan outlines the objectives and background of each planned and proposed audit topic.

In addition, each year we ask agencies to provide an assessment of their progress in implementing the recommendations from our previously tabled reports to parliament. We use this information to select one to two previously tabled audits for a detailed follow-up audit. The details of the follow up audits we propose for 2018–19 are in section 2 of this plan.



1. Audit program 2018–2021

In this section we outline our proposed program of performance audits for the next three financial years.

Planned 2018–19 performance audits

In 2018–19 we plan to table 10 performance audit reports in the Queensland Parliament. These audits are listed below. In addition, we list in Section 2 of this plan the two follow-up audits we plan to table in 2018–19.

Once we begin a performance audit, we provide information on our website and invite the public to contribute by making a submission www.qao.qld.gov.au.



Conserving threatened wildlife

This audit will assess whether the Department of Environment and Science is effectively identifying, protecting, and conserving threatened wildlife.

Australia is home to between 600 000 and 700 000 species of wildlife, many of which are found nowhere else in the world. Changes to landscape and habitats from human activity has put some of this unique wildlife at risk. Over the last 200 years, many species of plants and animals have become extinct. A range of management and conservation measures are in place for the wildlife whose survival is under threat.

The *Nature Conservation Act 1992* defines threatened wildlife as native wildlife that is extinct in the wild, endangered, or vulnerable. In Queensland, there are currently 955 species listed as threatened. Of these species, around 400 are listed as threatened nationally under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999*.

The Department of Environment and Science has responsibility for managing and conserving threatened wildlife in Queensland via the *Nature Conservation Act 1992*. Other government agencies, the community, and industry sectors also undertake activities relating to threatened wildlife.

Who we might audit: The Department of Environment and Science.



Investing in vocational education and training

This audit will examine whether the Department of Employment, Small Business and Training is achieving comparable student outcomes through its public and private vocational education and training providers.

The vocational education and training sector provides skills-based training to assist individuals in finding employment or to help them advance within a current position. Under the Annual Vocational Education Training Investment Plan, the state government has committed \$810.7 million to help individuals gain skills that lead to job opportunities and sustainable employment.



The plan is supported by a vocational education and training investment framework that aims to support demand-driven funding arrangements and support disadvantaged learners. It also aims to contribute towards public providers—enabling them to compete in the vocational education and training market.

TAFE Queensland is the state's largest public provider of vocational education and training. It was established on 1 July 2013 as an independent statutory body under the *TAFE Queensland Act 2013*. There are other providers of vocational education and training, including universities.

The number of private training providers in the market has expanded, each offering skills-based training across accredited courses. The current vocational education and training model is intended to provide a greater variety of courses for individuals to choose from, while providing successful learning and employment outcomes for students.

Who we might audit: The Department of Employment, Small Business and Training and TAFE Queensland.



Managing cyber security risks

This audit will assess how effectively departments are protecting the information they collect against the risk of cyber threats or attacks.

A cyber-attack is defined as a deliberate act through cyber space to manipulate, disrupt, deny, degrade, or destroy computers, networks, or the information they contain. In Australia, the responsibility for managing and preventing cyber security threats lies with the federal, state and territory governments. As government delivers more and more services online, the risk of cyber security attacks increases. The Queensland Government has established a cyber security unit with a whole-of-government focus to combat potential threats.

The *2017 Threat Report* by the Australian Cyber Security Centre states that cybercrime remains a pervasive threat to Australia's economic prosperity with growing criminal expertise in targeting specific businesses. It also states that cybercrime will continue to be an attractive option for criminals. According to this report, between July 2016 and June 2017, the Australian Signals Directorate responded to 671 cyber security incidents that were considered serious enough to warrant operational responses. Cyber security is an evolving risk and departments need to be vigilant in assessing and addressing it.

Who we might audit: The audit will include the Queensland Government Cyber Security Unit within the Queensland Government Chief Information Office. We will also select a sample of public sector agencies, not yet determined.



Managing the cost of local government services

This audit will assess whether councils are delivering their services to the community efficiently and economically.

Sustainability is a key factor in determining the longevity of councils all around Australia. Limited federal funding has challenged councils to review their services and ensure their resources are used effectively to get better outcomes for their respective communities.

In managing financial sustainability, it is important that councils are aware of what services they provide, the cost of these services, and how they can improve delivery to achieve cost-efficiency.

Who we might audit: We will select a sample of councils, not yet determined. The audit might include the Department of Local Government, Racing and Multicultural Affairs.



Regulating food safety

This audit will assess how effectively Queensland Health and local councils are managing food safety.

Food safety is an important aspect of public health and wellbeing. Breaches in food safety can result in illness, hospitalisation and in extreme cases, fatalities. Unsafe food practices can also have broader social and economic consequences.

Queensland's food industry is rapidly growing. Since June 2010, the number of licensed food businesses in Queensland has increased by 24 per cent, from 24 029 to 29 825. Growth in the industry, coupled with the introduction of online food delivery, means greater emphasis is needed on the safe preparation and service of food.

The *Food Act 2006* is the primary food safety legislation that applies to all food businesses in Queensland. Responsibility for the administration and enforcement of the *Food Act 2006* rests with Queensland Health and local governments (councils).

Who we might audit: We will select a sample of councils, not yet determined. The audit will also include the Department of Health.



Planning for sustainable health services in Queensland

This audit will assess the effectiveness of the Department of Health and the Hospital and Health Services in planning for sustainable health services.

Health service planning aims to improve service delivery to better meet the health needs of the population. It is future orientated and usually adopts a medium- to long-term (10–15 years) perspective. Good planning helps to make the best use of current and future health resources including funding, staff and infrastructure.

Delivering health services occurs in an increasingly dynamic environment with ever changing community expectations, government priorities and technological advances. Health budgets are constrained, yet there are ever-increasing pressures and demands on the public health system.

The Department of Health is responsible under the *Hospital and Health Boards Act 2011* for statewide planning for the public health system. Hospital and Health Services must contribute to, and implement, statewide service plans that apply to them. They must also undertake further service planning that aligns with these plans.

Queensland Health's strategy—*Your health, Queensland's future: Advancing health 2026*—identifies sustainability as one of five underpinning principles. This includes ensuring available resources are used efficiently and effectively for current and future generations.

Who we might audit: The audit will include the Department of Health and a selection of Hospital and Health Services to be determined.



Delivering forensic services

This audit will assess whether public sector entities provide forensic services effectively and efficiently.

Forensic service branches across various government agencies provide expert analysis and advice on civil emergencies, criminal investigations, and the coroners' inquiries into reportable deaths.

These services are increasingly important in detecting crime and convicting criminals. Delays to forensic testing and analysis can reduce the chances of successfully detecting and apprehending offenders and can delay the administration of justice. Failures of quality assurance in the system can lead to the failure of prosecutions and, in extreme cases, to miscarriages of justice.

The availability of an increasing range of forensic tests along with the more regular use of forensics for volume crime (such as burglary, robbery, and vehicle crime) has increased the number of tests conducted in all jurisdictions, including Queensland. While beneficial, this growth can also have significant cost, resource and efficiency implications.

This audit commenced in February 2018 and is currently underway.

Who we are auditing: The Department of Health, the Queensland Police Service, and Department of Justice and Attorney-General.

Queensland Child Protection Commission of Inquiry

This audit will assess how well the Queensland Government has implemented the recommendations for reform arising from the Queensland Child Protection Commission of Inquiry.

In response to the Queensland Child Protection Commission of Inquiry, the Queensland Government is implementing a new child and family support system over the next 10 years. It is intended to have a greater focus on supporting families in providing a safe and secure home for their children.

This response reinforces that parents and families are responsible for the care and safety of their children, with the government's role being to support parents and families by providing the right services at the right time for those in need. Implementing the reforms will require a fundamental shift in the way government agencies, child safety professionals, and community organisations work with vulnerable families, and with each other.

The Queensland Government is investing \$406 million over five years from 2014–15 to 2018–19 to better support the state's most vulnerable families and children.

Who we might audit: The Department of Child Safety, Youth and Women and the Queensland Police Service and the Queensland Family and Child Commission.



Delivering coronial services

This audit will assess whether agencies are effective and efficient in supporting the coroner to investigate and help prevent deaths.

Under the *Coroners Act 2003* (the Act), coroners are responsible for investigating reportable deaths that occur in Queensland. Reportable deaths include those that are unnatural, such as accidents, suicides or homicides, deaths that have occurred in prison or in care or have unknown causes.

The coroner's primary responsibility is to make formal findings in respect of the death, namely who, when, where and how the death occurred and what caused the death. The coroner also has an overarching role to identify whether the death could have been prevented and if so, to examine opportunities for future death prevention. This may include policy or procedural changes to improve public safety or the administration of justice.

In Queensland, the coronial system's efficiency and effectiveness relies on services from multiple stakeholders. The Queensland Police Service's Coronial Support Unit assists coronial investigations, Queensland Health's Forensic and Scientific Services provide coronial autopsy and clinical advisory services and the Department of Justice and Attorney-General's Court Services provide legal and administrative support.

Since 2007–08, the number of deaths reported to the coroner for investigation have increased by 50 per cent, from 3 514 to 5 287 in 2015–16. Demand for Queensland's coronial services is likely to increase with the states growing and aging population. Delays and inefficiencies to coronial investigations can impact families and loved ones seeking closure and add unnecessary cost to the state. A failure to act on coroner recommendations can potentially put lives at risk.

This audit will assess whether agencies are effective and efficient in supporting coroners to investigate and help prevent deaths. It will examine whether agencies support the coroner to conduct efficient and effective coronial investigations and whether agencies plan effectively to deliver sustainable coronial services.

This audit commenced in February 2018 and is currently underway.

Who we are auditing: The Department of Health, the Queensland Police Service, and Department of Justice and Attorney-General.



Managing market-led proposals

This audit will determine the extent that the market-led proposal initiative is meeting its objective to create jobs and stimulate the economy.

Queensland Treasury has developed a market-led proposals framework as an initiative of the government's economic plan to create jobs and stimulate the economy. The state government intended for market-led proposals to harness innovative ideas and funding from the private sector to deliver projects faster. An essential element of this approach involves contracting exclusively with providers, rather than going through a competitive tender process.



In July 2017, the government released revised specific Market-Led Proposal Guidelines. These guidelines sit within the Project Assessment Framework (PAF). There are four stages to the assessment process. The proposal needs to pass a stage before it can progress to the next one. When assessing market-led proposals, the responsible government agency needs to satisfy itself that the proposed project will deliver value for money and positive outcomes for the state, and that it could not deliver a better outcome under a competitive tender process. The agency also needs to consider alignment with government priority, policy and community needs, whether direct negotiation can be justified, the cost, risk, feasibility, and the proponent's capacity and capability to deliver the project.

This audit commenced in March 2018 and is currently underway.

Who we are auditing: Queensland Treasury; the Department of State Development, Manufacturing, Infrastructure and Planning.

Proposed 2019–20 performance audit topics

In 2019–20 we propose to table reports on some of the 17 performance audit topics listed below in Queensland Parliament.

We will determine which audits we will conduct after considering a range of variables between now and then. This includes changes that may occur in:

- government priorities
- the public sector environment
- available resources.



School program for students with a disability

This audit will examine whether the Department of Education is effectively and efficiently supporting students with disability to maximise their education outcomes.

The number of students in Queensland state schools with a disability is increasing. The highest rates of growth are students diagnosed with autism spectrum disorder and hearing impairment.

Schools may need to make reasonable adjustments to the way they teach students with disability, or the way the students access the school, to ensure they can participate. For example, where some students with autism spectrum disorder find handwriting stressful and difficult, the school may use word processing technology as an alternative.

All schools receive resourcing to support students with disability and can request access to a range of regional specialist services.



Educating for the digital future

This audit will examine whether the Department of Education is achieving its objectives in implementing a smart classroom and digital strategy to support learning in a digital world.

In 2008, the Australian Government promoted teaching and learning with the use of technologies through its Digital Education Revolution national partnership agreement. This partnership agreement provided over \$2 billion in funding to the Australian states and territories to provide computers and software to all students in school Years 9 to 12, deliver digital learning resources, and provide professional development in information and communication technology (ICT) for teachers.

In Queensland, the Department of Education implemented initiatives to support learning with technology. These included 'bring your own digital device' to school for learning purposes, computers for teachers, access to ICT courses for students and teachers, digital practice guides, and the creation of 'the learning place' (the department's secure eLearning environment).



Establishing effective audit committees

This audit will assess the effectiveness of the audit committees of public sector entities.

Audit committees are an important part of the governance framework of public sector entities. They are mandatory for all government departments and are encouraged for other public sector entities.

Audit committees provide independent assurance and advice to accountable officers and boards. To provide assurance they require:

- a documented charter that identifies the committee's responsibilities
- individuals with the right combination of skills and experience
- a sound working relationship with the accountable office or board and the entity.

Audit committees are also responsible for monitoring the implementation of recommendations made by audits and other review activities and ensuring the coverage of audits is aligned with the entity's risks.



Asset management in local government

This audit will assess if councils are effectively managing their infrastructure assets to maximise their service potential while minimising the total cost of ownership.

Asset management is critical to the long-term financial sustainability of the local government sector. Without full knowledge of the type, performance, cost, and age of their assets, councils are limited in their ability to make fully informed decisions about their asset renewal, maintenance and replacement.

As at 30 June 2017, councils were responsible for \$87 billion worth of infrastructure assets, including roads and bridges, buildings, water supply and sewerage networks, and stormwater drainage. At that time, only 43 per cent of Queensland councils had up-to-date asset management plans.



During 2016–17, the local government sector spent \$1.4 billion on the renewal of infrastructure assets. It is important that councils implement and practise sound asset management principles, so they can provide the best level of service to their communities.



Maintaining ecologically sustainable communities

This audit will assess the effectiveness and economy of local council's social and environmental sustainability strategies.

The ongoing prosperity of Queensland communities requires careful planning and management. Sustainable practices that enable economic growth without compromising the state's natural environment is necessary.

Local councils are responsible for managing land, energy and water resources while also ensuring social and economic vitality. Sustainably managing these resources, amidst population growth, resource limitations and climate change, is a significant challenge for councils.

Councils require long-term social and environmental strategies to respond to these challenges and build positive outcomes to sustain Queensland communities.



Healthcare pathways (waitlist management)

This audit will assess the effectiveness of strategies that ensure patients receive the most appropriate healthcare treatment within recommended times.

Public patients are referred to specialists from emergency departments or by their general practitioner. Hospital and Health Services develop guidelines which help the referring doctors decide to whom they will refer patients and ensure the doctors provide appropriate information.

Long surgical and outpatient waiting times and inappropriate referrals to specialist medical appointments can contribute to sub-optimal outcomes for patients. As at 1 January 2017, the Department of Health reported 190 158 patients were waiting for a specialist outpatient appointment. Patients waiting longer than clinically recommended periods of time varied between two and 56 per cent depending on the specialty.

The Department of Health establishes outpatient waiting times as an important performance measure in their service agreements with the Hospital and Health Services and assigns funding for this. The Queensland health sector has several strategies to address specialist outpatient waiting times including the Specialist Outpatient Strategy and the Clinical Prioritisation Criteria program (currently being developed).



Integrated care approach to chronic disease

This audit will assess how effectively and efficiently Queensland Health is managing integrated care of chronic disease, including how it works with primary health networks and general practitioners.

Queensland Health's strategy—*Your health, Queensland's future: Advancing health 2026*—outlines that cardiovascular disease and cancer are the primary cause of death for Queenslanders. It also explains that improving the integration of care for patients with chronic disease is an important strategy for achieving better outcomes.

The term 'chronic disease' refers to a group of diseases that tend to be long-lasting and have persistent effects. They account for 88 per cent of the burden of disease and 91 per cent of all deaths.

Chronic disease costs \$45.8 billion nationally, or 87 per cent of recurrent allocated health expenditure, and up to \$5 billion per year in Queensland. It can also have a significant impact on work productivity.

The Australian Government, the state and territory governments, and primary care providers share the management of chronic disease. Integrated care aims to improve patient experience by better coordinating an individual's care across primary and preventative care, mental health, and specialist and hospital care. Service providers must tailor the delivery of integrated care to the specific needs of children, adolescents, adults and those in aged care. Better coordination of care is also required to avoid unnecessary services and hospitalisations, thereby reducing costs. The Queensland Government has developed a \$35 million integrated care innovation fund for integrated care projects.



Preventing and responding to domestic and family violence

This audit will examine how effective public sector initiatives have been in preventing and responding to domestic and family violence.

On 10 September 2014, the Special Taskforce on Domestic and Family Violence in Queensland was established. In February 2015, the taskforce finalised its report, *Not now, Not ever: Putting an end to domestic and family violence in Queensland*. The taskforce reports that domestic violence in Queensland has continued to increase and is costing the state's economy between \$2.7 and \$3.2 billion annually.

In its subsequent budgets, the Queensland Government committed to an overall funding package of \$323.1 million over six years to respond to the issues and recommendations in the *Not now, Not ever: Putting an end to domestic and family violence in Queensland* report.





Delivering guardianship services

This audit will assess the effectiveness of Queensland’s guardianship system and its processes for supporting adults with a decision-making incapacity.

The Queensland guardianship system protects the rights and interests of individuals who do not have the capacity to make decisions for themselves. It aims to provide adequate and appropriate support for individuals to make decisions, with as much autonomy as possible. The law assumes an adult has the capacity to make a decision, unless evidence proves otherwise. Capacity is defined as an individual’s ability to:

- understand the nature and effect of decisions
- freely and voluntarily make decisions
- communicate those decisions in some way.

It is important to assess the level of capacity in the context of the decision that the individual is making. While an individual’s decision-making capacity may be impaired, they may still be able to make some decisions for themselves. Therefore, depending on the level of impairment in the situation, the individual may require someone to make the decision on their behalf, or may only require some support to make the decision themselves.

The Office of the Public Guardian, the Public Trustee and the Office of the Public Advocate are responsible for providing an effective and integrated service that supports and promotes the rights of adults with impaired decision-making capacity.



Delivering social housing and housing services

This audit will assess whether social housing programs are effectively and efficiently meeting the needs of vulnerable Queenslanders.

Improving housing affordability, reducing homelessness, and assisting Queenslanders to access the private housing market remain key priorities of the Queensland Government.

In June 2017, the government published its 10-year housing strategy (2017–2027). Through its new strategy, the government aims to transform how it delivers housing services, providing every Queenslander with access to safe, secure and affordable housing that meets their needs and allows them to participate in society.

The Department of Housing and Public Works is changing the way it does business with organisations that are funded to deliver social housing and ancillary housing services. The department’s initiatives include bond loans, rental grants, RentConnect, the Home Assist Secure program, and the National Rental Affordability Scheme. These are all aimed at helping low income earners access and keep housing in the private rental market.



Regulating builder registration

This audit will assess how effectively the Queensland Building and Construction Commission regulates builder registration.

Queensland’s building and construction industry contributes significantly to the state’s economy. The industry’s reputation and its ongoing growth relies on licensees complying with their legislated obligations. Unlicensed builders, non-conforming building products and defective building work is detrimental to both the industry and Queensland’s property owners.

The Queensland Building and Construction Commission is a regulatory body that provides support to the state’s building industry. It does this by upholding proper building standards and by investigating defective building work. The commission provides four main services for Queensland home owners and contractors:

- licensing services (this includes ensuring licensees maintain minimum financial requirements)
- dispute prevention and resolution services
- home warranty insurance
- information and education.



Diverting young offenders from crime

This audit will examine the effectiveness of youth justice diversion and rehabilitation initiatives in helping young people better connect with the community and reduce the risk of them reoffending.

Criminal offending by young people can stem from a range of complex social problems such as family dysfunction, poor educational outcomes, unemployment, and substance abuse. Addressing the root causes of offending can help young people better connect with their communities and reduce the risk of them committing future crimes.

The Department of Child Safety, Youth and Women is responsible for youth justice. It and the Queensland Police Service have a range of programs and initiatives intended to divert young offenders from the justice system and help them to avoid the risk of reoffending.





Managing electronic and digital evidence

This audit will assess whether the Queensland Police Service is managing effectively and efficiently the collection, handling, analysis and use of electronic and digital evidence in criminal investigations and prosecutions.

The rapid and ongoing increase in the use of electronic and digital technology to commit and detect crime has led to a growing reliance on electronic and digital evidence in criminal investigations and prosecutions. This rapid growth and the increasing sophistication of technology presents significant opportunities and challenges for the criminal justice system.

To manage these challenges the Queensland Police Service established the Electronic Evidence Examination Unit within its Financial and Cyber Crime Group. This unit's role involves the examination of electronic devices such as laptops, mobiles, personal data assistants and USB's. They are experts in areas of encryption, recovering data, and accessing cloud storage. Their primary role is undertaking complex analyses of sophisticated computer related investigations of businesses, organisations and individuals in relation to tracking and recovering evidence.

In addition, the police service's Child Abuse and Sexual Crimes Unit is responsible for undertaking complex analyses of computer related investigations involving child exploitation material. In July 2017, the Queensland Sentence Advisory Council released its final report on its review of the classification of child exploitation material. It included 16 recommendations aimed at improving aspects of the management of evidence related to this type of material.

This audit will assess whether the Queensland Police Service is effective and efficient in managing electronic and digital evidence in criminal investigations and prosecutions. It will examine whether it is planning effectively to deliver sustainable services and keep up with growing demand.



Monitoring and managing dam safety

This audit will assess whether the Department of Natural Resources, Mines and Energy is effectively regulating Queensland's dams.

The owner of a dam is responsible for its safety. Having a dam safety management program in place can minimise the risk of its failure, and the potential impact on human life and property.

Under the provisions of the *Water Supply (Safety and Reliability) Act 2008*, the Department of Natural Resources, Mines and Energy is responsible for the regulation of dams that are referable. (Referable dams are those that dam owners have assessed as putting people at risk in the event of failure.)

Around half of the referable dams in Queensland are owned by Seqwater (26) and Sunwater (23). All referable dam owners must have an approved emergency action plan in place.

The Department of Natural Resources, Mines and Energy may put safety conditions on referable dams. These safety conditions may require owners to develop standing operating procedures and undertake works to improve the dam's integrity.



Evaluating major infrastructure projects

This audit will assess whether agencies are effective in ensuring that major infrastructure projects maximise value for money, promote state government priorities and meet community needs.

The quality of infrastructure investment decisions correlates with how successful a project is and how it will have the desired economic and social impact on the state. It is critical for the state government to effectively assess investment decisions to ensure they are sound, that they will achieve economic benefits and value-for-money and will ultimately deliver a positive outcome.

Building Queensland provides the Queensland Government with independent, expert advice on major infrastructure to better inform decisions for its pipeline of projects. Building Queensland has developed a Business Case Development Framework to assist government agencies with the development of major infrastructure proposals. The guidance supplements the Project Assessment Framework and provides detailed advice on how to develop a robust business case.



Managing coal seam gas activities

This audit will examine the effectiveness of the approval processes and the compliance and enforcement regime for managing coal seam gas activities.

Coal seam gas (CSG) is an important resource in Queensland with over 90 per cent of Australia's CSG reserves in the Bowen and Surat basins. In Queensland, \$63 billion has been invested to produce liquefied natural gas. Other jurisdictions are reliant on Queensland's CSG to satisfy their energy demands.

CSG activities are subject to approval processes and regulations to minimise their environmental impact and ensure the safety of their activities. The Department of Natural Resources, Mines and Energy and the Department of Environment and Science are responsible for administering and enforcing CSG sites in Queensland.

There were 1 127 CSG wells operating in Queensland at June 2012, which grew to 5 324 by June 2017. Proactive risk management is required to:

- protect local water supplies and farming land
- manage the impact of CSG activities on areas of regional interest
- provide fair conditions for landholders
- ensure the health and safety for all personnel.





Addressing coal workers' pneumoconiosis

This audit will examine how effectively public sector entities are implementing recommendations to address coal workers' pneumoconiosis.

Coal workers' pneumoconiosis (CWP) is a coal mine dust lung disease caused by cumulative long-term inhalation of very fine, airborne respirable coal dust. It is commonly referred to as 'black lung disease'. CWP was thought to have been eradicated in Queensland, with no recorded cases in the 30 years prior to 2015.

The first official reidentification of the disease in Queensland was made in May of 2015. Between then and September 2017, 25 confirmed cases of CWP were reported to the Department of Natural Resources, Mines and Energy.

With the re-emergence of CWP in 2015, the Queensland Government commissioned an independent review by the Monash University Centre for Occupational and Environmental Health (the Monash Review). In July 2016, the Monash Review made 18 recommendations, all of which were supported by the government.

On 15 September 2016, Queensland Parliament established the Coal Workers' Pneumoconiosis Select Committee to inquire into the re-identification of CWP. In its final report, the committee made 68 recommendations. In September 2017, the Queensland Government issued its response to the committee's recommendations, saying that it '*supports many of the recommendations*'. It committed to 8 key actions and to investing \$21.051 million over two years to deliver on the recommendations (additional to the \$3.737 million already committed). The government's response also stated that 11 of the 18 recommendations of the Monash Review were fully implemented and the other 7 were almost complete.

This audit will examine the effectiveness of public sector entities in implementing recommendations and addressing CWP.

Proposed 2020–21 performance audits

In 2020–21 we propose to table reports on some of the 16 performance audit topics listed below in Queensland Parliament.

We will determine which audits we will conduct after consideration a range of variable between now and then. This includes changes that may occur in:

- government priorities
- the public sector environment
- available resources.



Monitoring environmental conditions for mining activities

This audit will assess whether the Department of Environment and Science is effectively monitoring and managing the environmental conditions for the state's mining activities.

When entities wish to undertake activities in Queensland that have the potential to contaminate the environment, they require an environmental authority. Environmentally relevant activities (ERAs) are industrial, resource, or intensive agricultural activities that have the potential to release contaminants into the environment. Environmental authorities include eligibility criteria, which ensure that environmental risks relating to ERA operations are suitably managed under standard conditions or minimum operating requirements.

The Department of Environment and Science is the administering authority, under the *Environmental Protection Act 1994*. It approves eligibility criteria and standard conditions for ERAs.

For example, on 2 February 2016, the Department of Environment and Science issued a final environmental authority for Adani's proposed Carmichael Mine project with approximately 140 conditions. This included nine conditions relating to the black-throated finch, as required by the Land Court. The department will need to monitor any potential environmental impacts arising from this project.



Managing oil and chemical spills

This audit will assess whether the Department of Environment and Science and Maritime Safety Queensland has effective processes for managing land and water-based oil and chemical spills.

Oil and chemical spill incidents can have devastating effects on the environment. Water-based spills can result in major biological issues, physical contamination, and disruption to industries that rely heavily on waterways for their operations. Recreational activities can also be impacted when spills encroach on beaches and local waterways.

Although land-based spills tend to move more slowly and affect smaller areas, they are still hazardous to people and the environment.

State and federal agencies work together to respond to land and water-based spills. Maritime Safety Queensland (a branch of the Department of Transport and Main Roads) is the lead agency in Queensland for responding to maritime spills, and the Department of Environment and Science provides it with assistance where the spills affect wildlife. The Department of Environment and Science is the lead agency for responding to land-based spills.





Managing tourism and sustainability of Queensland's World Heritage sites

This audit will examine how effectively the state's tourism and environmental agencies are managing tourism and environmental priorities for Queensland's world heritage listed sites.

Queensland is the fortunate custodian of five world heritage listed sites: the Great Barrier Reef, Fraser Island, the Wet Tropics, Goondwana Rainforests, and the Riversleigh World Heritage site. These sites are not only unique and naturally beautiful but also environmentally sensitive.

Queensland is Australia's second largest tourism market after New South Wales, accounting for 24.6 per cent of the national tourism output and employing around 130 900 people. Our world heritage sites are a cornerstone of the tourism industry, some attracting increasing numbers of visitors.

Sustainably managing the tourism and environmental priorities of these sites presents significant challenges for the responsible public sector agencies. While considerable national and international attention has been given to the management of, and risks to, the Great Barrier Reef, considerably less public attention has been given to our four other world heritage sites.

The Department of Environment and Science is responsible for protecting these sites. Queensland Parks and Wildlife Service is responsible for the day-to-day management of the sites, while promoting tourism is managed by a range of public sector agencies. In 2016, Queensland Parks and Wildlife Service (then a unit in the former Department of National Parks, Sport and Racing) released the Government's Ecotourism Plan 2016–20.



Commonwealth Games legacy

This audit will assess whether the intended legacy benefits from the 2018 Commonwealth Games have been realised by the State.

The Gold Coast 2018 Commonwealth Games will be the fifth time Australia has hosted the Commonwealth Games. The 11-day sporting and cultural event involves athletes and officials from 70 nations and territories.

With a budget of approximately \$2 billion, the Commonwealth Games relies on significant public and private investment.

Beyond the 11-day sporting event, the Commonwealth Games has the potential to provide long-term economic, industry, social and community benefits to Queensland.

In December 2014, in our report *2018 Commonwealth Games: Progress* (Report 9: 2014–15) we recommended that the Office of the Commonwealth Games Coordination complete its legacy evaluation framework, including measures and targets to evaluate realisation of legacy benefits.

The Queensland Government subsequently finalised and implemented the 'Embracing 2018 Legacy Program'. The programs legacy benefits include:

- delivering *GC2018: The Inspiring Games*
- enduring jobs and powering economic growth
- accelerating the Gold Coast to a world-class boutique city
- building active, engaged and inclusive communities.



Collecting state revenue

This audit will assess how efficiently and effectively the Queensland Government collects taxes and royalties.

Responsibility for managing taxation and royalties within Queensland Treasury rests with the Office of State Revenue. For the 2016–17 financial year, Queensland Treasury recognised revenue of over \$10.6 billion from taxation and over \$3.8 billion from royalties.

Revenue from taxation and royalties represents approximately 30 per cent of total revenue for the general government sector and 25 per cent of total revenue for the total state sector (which includes the general government sector). Amounts collected from taxation and royalties can vary from year to year due to external factors that the government cannot directly control.

Taxation revenue includes transfer duties, payroll tax, land tax, and gaming taxes. Royalties are charges for natural resources such as coal, petroleum, and liquefied natural gas extracted and sold by the private sector.

To collect state revenue, the Office of State Revenue uses the principles of behavioural economics to determine the best way to help people comply with their state tax obligations.



Open data

This audit will assess whether open data strategies have achieved their full potential in terms of adding value to the Queensland public sector, the economy, and the community.

In 2012, the Premier announced the government's 'Open Data Reform' initiative with the aim of making government data more accessible for the community.

The former Department of Science, Information Technology and Innovation was responsible for the overall initiative, with government agencies and statutory bodies responsible for developing their own open data strategies. In December 2017, responsibility for the initiative transferred to the Department of Housing and Public Works.

Open data strategies aim to stimulate the economy by encouraging Queenslanders to develop innovative new services and solutions for the state. These strategies also feed into the Advance Queensland agenda. The government designed this agenda to drive innovation and create opportunities for entrepreneur, industry, and government collaboration to turn ideas into commercial products and into businesses that create jobs.

Without effective open data strategies, public funds might be wasted, users might not be able to access data, or data might not meet user needs. There is the potential for lost opportunities for innovation and economic development.



Development applications and approvals

This audit will assess whether local governments' processes for development applications and approvals are timely, efficient, and effective, and comply with relevant regulatory requirements.

Over the past few years, there have been several changes to the legislative framework that underpins the development application and approval process.



These changes can contribute to increased risk and complexity in how applications are processed. Further complexity arises from other factors including changing regulatory instruments, local versus state government requirements, and the nature of the application itself.

Depending on the development, the application may be assessed by either the local government or the state government.

Queensland has recently reviewed and updated its planning legislation, with the revised *State Planning Policy* taking effect from 3 July 2017.



Managing conflicts of interest

This audit will assess how effectively councils manage and respond to conflicts of interest.

A conflict of interest may occur when there is a real or perceived conflict between private interests and public duty. Undeclared conflicts present a significant fraud risk, particularly within local government. Mismanagement of conflicts of interest can damage a council's reputation and ability to deliver services.

In 2016–17 the Crime and Corruption Commission (CCC) examined how 13 councils had dealt with allegations of conflicts of interest and the adequacy of their conflict of interest systems.

In October 2017, the CCC released its report about 'Managing and responding to conflicts of interest involving council employees'. It recommended 10 councils implement an overarching framework to enable them to apply a coordinated approach to identify, manage and monitor conflicts of interest.



Preventing childhood obesity

This audit will assess whether the Department of Health and the Department of Education are effectively implementing strategies to prevent and reduce childhood obesity.

The health of Queenslanders 2016 report states that 19 per cent of children in Queensland are overweight and a further seven per cent are obese. This rate has not changed since 2007–08. The rate of childhood obesity 30 years ago was two per cent.

Childhood obesity can have a range of adverse consequences including social discrimination, poor self-esteem, depression, and childhood type 2 diabetes. In the longer term, obese children have a higher likelihood of adult health problems such as cardiovascular disease, type 2 diabetes, some forms of cancer, and joint problems. These consequences can cause significant individual morbidity and mortality, lost productivity, and increased direct health care costs.

Your health, Queensland's future: Advancing health 2026 is a 10-year vision and strategy for the Queensland health system. It was released in 2016. One headline measure of the strategy's success is reducing childhood obesity by 10 per cent by 2026. The Department of Health in its *Overweight and obesity prevention strategy 2017 to 2020* details actions and targets for addressing the prevalence of childhood obesity.

In addition, schools deliver specific education initiatives to ensure children and families are aware of how to eat healthily and are aware of the importance of nutrition and weight in the context of overall health. Many variables can contribute to childhood obesity outcomes.



Mental health service delivery

This audit will assess Queensland Health’s effectiveness in designing, implementing and evaluating its *Connecting care to recovery 2016–2021* plan for mental health, alcohol and drug services.

Queensland spends over \$930 million annually on state-funded mental health services. Each year, one in five adults experience a mental disorder, and approximately half experience a mental disorder at some point in their lives.

Connecting care to recovery 2016–2021 is a five-year plan that sets the direction for, and highlights priorities for, action and investment across the state-funded mental health, alcohol and other drug service system. The plan aims to deliver earlier and more effective and integrated responses, improved partnerships and collaboration, use workforces more effectively and increase system performance.

The most efficient and effective place for a patient to be supported in their ongoing recovery from an episode of mental ill-health is in their community. For a successful recovery, patients require access to the right services, in the right place and at the right time.



Health outcomes for Aboriginal and Torres Strait Islander people

This audit will assess whether Queensland Health is reducing the gap in health and wellbeing outcomes for Queensland Aboriginal and Torres Strait Islander people.

The Queensland Aboriginal and Torres Strait Islander population faces considerable disadvantage in health and wellbeing compared to the non-Indigenous population. The Productivity Commission estimates \$1.67 billion was spent on indigenous health services in Queensland in 2015–16.

The Council of Australian Governments (COAG) committed to closing the gap in indigenous life expectancy by 2033 and halving the gap in mortality rates for indigenous children under five by 2018.

To improve indigenous health care, Queensland Health is implementing the *Making Tracks Investment Strategy 2015–2018*. The strategy outlines the various initiatives intended to reduce the health gap and focuses on:

- a healthy and safe start to life
- reducing risk factors
- improving living environments
- earlier diagnosis and treatment
- cultural competence
- the community-controlled health sector
- research, accountability and evaluation.





Transport service contracts

This audit will assess whether transport service contracts are managed effectively to meet the government's transport objectives, maximise value for money and meet community needs.

Transport Service Contracts are negotiated on an efficient price basis for purchasing rail, bus and ferry services from operators and infrastructure managers, on behalf of government.

The benefits of transport service contracts are that they:

- provide a flexible, accountable and transparent mechanism for the government to satisfy its transport and related policy objectives;
- enable the government to identify the minimum level and minimum standard of services it requires to be provided;
- enable government to determine whether the level of funding for these services is providing the best value for money from an overall transport policy perspective.

Transport service contracts exist for rail services (Queensland Rail's Citytrain, Traveltrain and rail Infrastructure services), regional freight, and livestock services (Aurizon's rail and road freight and rail cattle train services). Service contracts also exist between the Department of Transport and Main Roads and bus and ferry operators across the state.



One-stop shop plan

This audit will assess whether the Queensland Government's One-Stop Shop plan has delivered its intended outcomes.

In November 2013, the former Department of Science, Information Technology and Innovation released its *One-Stop Shop plan 2013–18*. Responsibility for the One-Stop Shop plan and its implementation transitioned to the Department of Housing and Public Works in December 2017.

The One-Stop Shop plan intends to deliver simpler and easier access to government services, including:

- delivering more services online
- making services and information simpler, clearer and faster to access
- joining up services across government boundaries
- reducing the cost of services.

The government has allocated approximately \$72 million to fund the One-Stop Shop plan. Assessing whether the One-Stop Shop plan has delivered its intended outcomes and provided value for money is particularly necessary, as Queensland seeks to be a leader in digital government.



Deploying police resources

This audit will examine how efficiently and effectively the Queensland Police Service deploys its resources to maximise public safety.

The Queensland Police Service has over 13 000 operational staff and 14 000 total staff. It is responsible for providing policing services to more than 4.9 million Queenslanders, who are spread over more than 1.7 million square kilometres.

Deploying police resources efficiently and effectively means using the most appropriate types and number of resources in the right place at the right time to maximise public safety outcomes.

Two objectives that the Queensland Police Service commits to in its *2017–21 Strategic Plan* are to make the community safer and equip its workforce for the future.



Managing demand across the criminal justice system

This audit will assess whether criminal justice entities are efficiently and effectively managing demand across Queensland's justice system.

Queensland's criminal justice system is under increasing pressure, as evidenced by congested police watch houses, a growing backlog in court cases and overcrowded prisons.

Between 2012 and 2017 the number of unsentenced prisoners in Queensland increased by more than double. Within this same period, the number of sentenced prisoners increased by 32 per cent.

Identifying the pressure points across Queensland's justice system, and the specific drivers increasing demand, is necessary to manage the systems future demand.

Managing demand across the justice system requires an integrated and coordinated approach by criminal justice entities.



Capital asset management and planning

This audit will assess how efficiently and effectively the Queensland Government estimates and delivers its capital programs.

The annual budget cycle of the Queensland Government includes a Capital Statement. This statement presents an overview of proposed capital outlays by each Queensland Government department each year, as well as a summary of the government's approach to infrastructure provision. Capital outlays are broken down into capital purchases (including acquisitions under finance leases) and capital grants.

The level of capital expenditure over the 2017–18 forward estimates is forecast to exceed \$42 billion, with growth largely attributable to additional infrastructure investment associated with the state infrastructure fund.

Historically, Queensland Government agencies have been unable to spend the approved capital funds in the budget period. This increases the risk of government assets not being able to effectively support the delivery of key social services, or to support the state's development, the needs of local communities, and local employment opportunities.

The state's budget sector has underspent its capital program by more than \$7.7 billion (14 per cent) over the last five financial years.



2. Follow up of previous audits

Each year we select one to two previously tabled audits and follow up on agencies' progress in implementing our recommendations.

The recommendations in our reports to parliament are designed to improve how public sector entities deliver services, and strengthen accountability and improve transparency. Primary responsibility for implementing accepted recommendations vests in the entity concerned.

In conducting our follow-up audits, we not only assess whether the agencies have implemented our recommendations but also whether they have addressed the underlying issues which led to the recommendations.

We table the results of our follow-up audits in parliament.

Follow-up audits we propose to table in 2018–19

In 2018–19, we plan to table two follow-up audits. These are:

- *Managing water quality in the Great Barrier Reef catchments* (Report 20: 2014–15)
- *Bushfire prevention and preparedness* (Report 10: 2014–15).

Managing water quality in the Great Barrier Reef catchments

Our follow-up performance audit *Managing water quality in the Great Barrier Reef catchments* (Report 20: 2014–15) is underway and scheduled to be tabled early in 2018–19.

The audit objective of our original audit was to examine whether there is a decline in adverse impact of broadscale land use on the quality of water entering the Great Barrier Reef.

Figure 2A shows the recommendations we made.



Figure 2A
 Report 20: Managing water quality in the Great Barrier Reef catchments

Recommendations	
1	That the newly formed Office of the Great Barrier Reef be provided with sufficient and appropriate management and administrative authority, so that it can be properly made responsible and held accountable for Queensland’s reef management strategies and programs.
2	That the design and implementation of the suite of programs attributed to the Reef Plan is reviewed to establish they are the most effective and efficient.
3	That catchment monitoring is expanded to aid in determining the effectiveness of practice management change and to enhance the confidence in modelled outcomes.
4	That a rigorous verification process is applied to data on land management practice change, and deficiencies in model inputs be addressed, to improve confidence in, and the accuracy of, inputs into catchment modelling.
5	That unambiguous references be included in the tier one reef report card which disclose the degree of uncertainty and levels of potential variability in the reported results.

The agencies included in this follow-up audit are:

- Department of Environment and Science (which includes the Office of the Great Barrier Reef)
- Department of Natural Resources, Mines and Energy
- Department of Agriculture and Fisheries.

Bushfire prevention and preparedness

We plan to commence our follow-up performance audit *Bushfire prevention and preparedness* (Report 10: 2014–15) in April 2018.

The objective of our original audit was to determine if Queensland was better able to prevent and prepare for bushfires following the 2009 Victorian Bushfires Royal Commission, the Malone Review into Rural Fire Services in Queensland 2013 and the Police and Community Safety Review 2013.

Figure 2B shows the recommendations we made.



Figure 2B
Report 10: Bushfire prevention and preparedness

Recommendations	
1	<p>That Queensland Fire and Emergency Service strengthens its oversight role as lead agency for mitigating Queensland's bushfire risk to acceptable levels by:</p> <ul style="list-style-type: none"> • coordinating land managers' efforts to assess and mitigate bushfire risk • formalising the role of fire management groups to manage Queensland's fuel loads, including reporting planned and conducted hazard reduction burns and the effectiveness of hazard reduction burns • amending its bushfire mitigation planning to address prevention, preparedness, response and recovery and to manage Queensland's residual bushfire risk • developing and implementing a coordinated strategy to address arson, deterring would-be offenders and rehabilitating convicted offenders • working with local councils to develop and communicate local bushfire plans for communities located in high risk, bushfire-prone areas.
2	<p>That Queensland Fire and Emergency Service improves engagement with communities to prepare for and respond to bushfires by:</p> <ul style="list-style-type: none"> • increasing focus on monitoring the effect of educational materials it develops • reviewing and amending its bushfire warnings and alert protocols to provide clear and consistent messages to residents about the action to be taken before and during a bushfire.

Source: Queensland Audit Office.

Queensland Fire and Emergency Services will be the subject of this audit. The Public Safety Business Agency was also included in our 2014–15 audit and may be included in this follow-up.

Follow-up audits we proposed to start in 2019–20

In addition, we plan to commence a follow-up audit in 2018–19, for tabling in parliament early in 2019–20. This will follow up audit of our report *Emergency department performance reporting* (Report 3: 2014–15).

The original audit assessed the performance of Queensland's public emergency departments in achieving targets under the National Emergency Access Target, with a particular focus on the reliability of the data being reported.

Figure 2C shows the recommendations we made.



Figure 2C
Report 3: Emergency department performance reporting

Recommendations	
1	<p>That agencies ensure the definition of ‘did not wait’ is clearly understood by:</p> <ul style="list-style-type: none"> aligning the Emergency Department Information System terminology reference guide definition of ‘did not wait’ with the National Health Data Dictionary clearly communicating and explaining to emergency department staff how the definition is to be applied publicly reporting both the number and percentage of patients who did not wait for treatment and those who left after treatment commenced.
2	<p>That agencies review the role of short stay units and formalise guidelines on their operation and management to reduce inappropriate inpatient admissions.</p>
3	<p>That agencies ensure data sets are accurate and verifiable by:</p> <ul style="list-style-type: none"> reviewing and implementing controls to ensure timely and accurate recording of patient information in the Emergency Department Information System recording retrospective amendments that are evidenced and authorised reassessing the information technology constraints that led to audit logs being turned off with a view to re-enabling audit logs and improving accountability.
4	<p>That prior to the completion of the National Health Reform Agreement—National Partnership Agreement on Improving Public Hospital Services, agencies undertake a clinical, evidence-based review of the emergency access target to determine an achievable target or targets encouraging timely decision making without compromising patient safety</p>

Source: Queensland Audit Office.

The agencies included in the original audit were:

- Department of Health
- Cairns and Hinterland Hospital and Health Service
- Central Queensland Hospital and Health Service
- Metro North Hospital and Health Service
- West Moreton Hospital and Health Service.



Appendices

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A. Strategic audit planning 2017–20 acquittal

Figures A1 to A3 show the status of each audit we proposed in all three years of our *Strategic Audit Plan 2017–20*.

The second and third years of the strategic audit plan list more audits than we are resourced to undertake. We reassess and prioritise the program to accommodate changing priorities and circumstances each year.

This can include new audits being added to our program due to emerging priorities or referrals during the year. For these reasons, each year, there is some movement of audits between years as we continually refine our program.

Figure A1

Year planned	Audit	Status
2017–18	Fraud risk management	Tabled in February 2018
	Use of confidentiality clauses in government contracts	Tabled in February 2018
	Finalising unpaid fines	Tabled in February 2018
	Investing for success	Tabled in March 2018
	Monitoring and managing information communication and technology projects	Tabling in 2017–18
	Implementing the National Disability Insurance Scheme*	Tabling in 2017–18
	Managing local government rates, fees and charges	Tabling in 2017–18
	Effectiveness of the shared service model	Tabling in 2017–18
	Digitising hospitals	Tabling in 2018–19

Note: * Our audit on Implementing the National Disability Insurance Scheme will result in two reports to parliament one scheduled for May 2018 and the second in June 2018.

Source: Queensland Audit Office.



Figure A2

Year planned	Audit	Status
2018–19	Delivering forensic services	Commenced
	Market-led proposals	Commenced
	Conserving threatened species	Retained in 2018–19
	Regulating builder registration	Moved to 2019–20
	Investing in vocational education and training	Retained in 2018–19
	Managing cyber security risks	Retained in 2018–19
	Queensland Child Protection Commission of Inquiry	Retained in 2018–19
	Preventing and responding to domestic and family violence	Moved to 2019–20
	Integrated care approach to chronic disease	Moved to 2019–20
	Evaluating major infrastructure projects	Moved to 2019–20
	Strategic asset management in local government	Moved to 2019–20
	Delivering social housing and housing services	Moved to 2019–20

Source: Queensland Audit Office.



Figure A3

Year planned	Audit	Status
2019–20	Managing the cost of local government services	Moved to 2018–19
	School program for students with a disability	Retained in 2019–20
	Educating for the digital future	Retained in 2019–20
	Healthcare pathways (waitlist management)	Retained in 2019–20
	Delivering guardianship services	Retained in 2019–20
	Diverting young offenders from crime	Retained in 2019–20
	Monitoring and managing dam safety	Retained in 2019–20
	Monitoring environmental conditions for mining activities	Moved to 2020–21
	Managing oil and chemical spills	Moved to 2020–21
	Open data	Moved to 2020–21
	Collecting state revenue	Moved to 2020–21
	Preventing childhood obesity	Moved to 2020–21
	Capital asset management and planning	Moved to 2020–21
	Development applications and approvals	Moved to 2020–21
	Deploying police resources	Moved to 2020–21

Source: Queensland Audit Office.



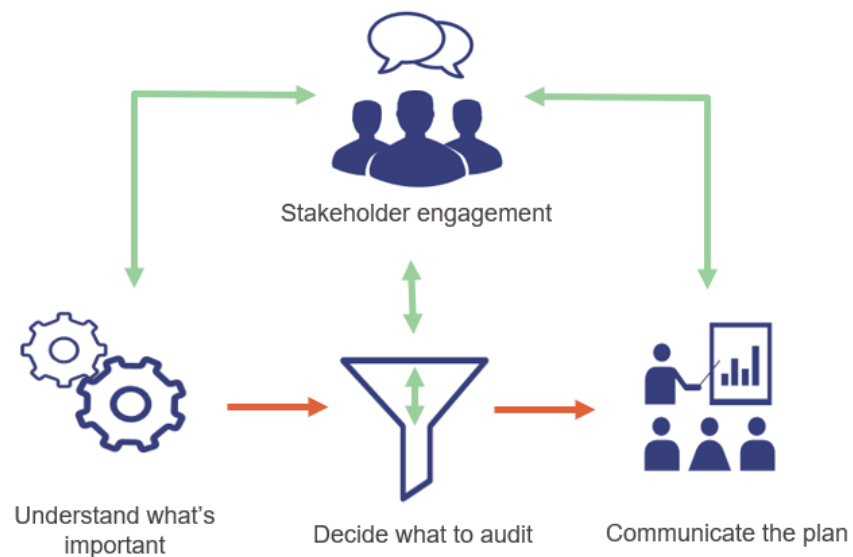
B. Strategic audit planning process

The process

Our strategic audit planning process has three main phases (see Figure B1). It includes ongoing discussions with our stakeholders to inform the development and refinement of audit topic ideas. The three main phases can be summarised as follows:

- understand what's important
- decide what to audit
- communicate the plan.

Figure B1
Queensland Audit Office strategic audit planning approach



Source: Queensland Audit Office.

Understanding what's important

We understand what is important through our ongoing intelligence gathering. We do this by:

- consulting parliament, public sector entities and integrity agencies, and other relevant stakeholders, including peak bodies
- scanning the environment to identify key risks and challenges to public administration, internationally, nationally, and at state and local government levels
- closely monitoring agencies' operations to identify opportunities for improved performance
- monitoring referrals we receive from the public, government, media, and the public sector.

They are led by sector directors who interact with our audit clients and other stakeholders and maintain a deep understanding of the sector in which they operate.

Each year, we use our ongoing intelligence gathering to shape audit themes and priorities into potential performance audit topics. To determine what is important, we then assess changes to government priorities, reviews, or any general factors that may influence suitability or timing.

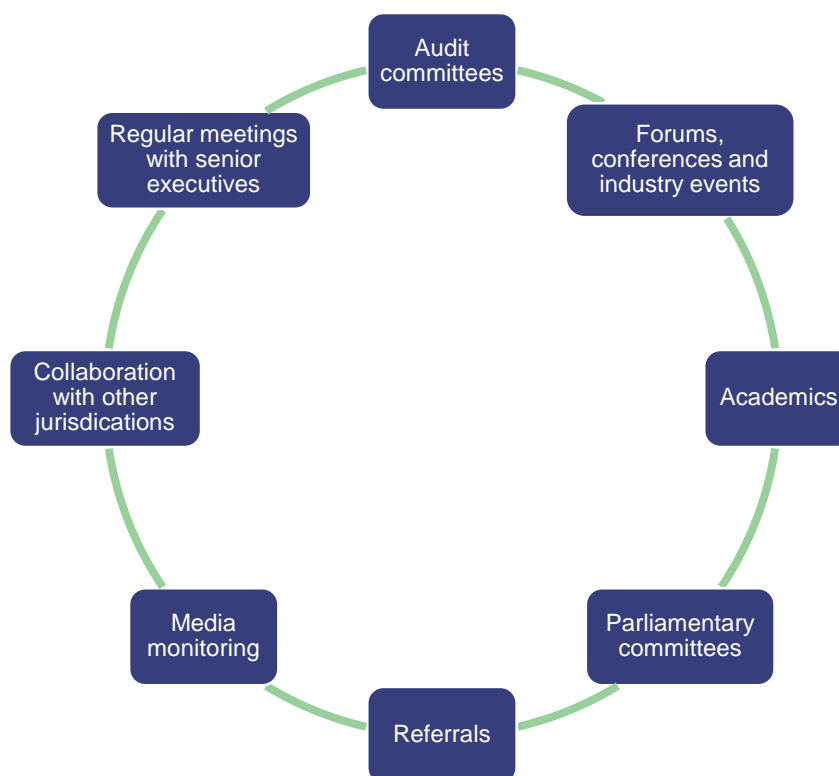
We identify the factors that contribute to these changes through close analysis of ongoing developments, considering the impact of:

- cross-sector themes
- significant challenges
- new risks/opportunities
- legislative reform and public inquiries
- national and international events that affect Queensland.

The outcome of our intelligence gathering efforts directs our focus and informs our development of the strategic audit plan (SAP).



Figure B2
Sources for intelligence gathering



Source: Queensland Audit Office.

Deciding what to audit

Our internal SAP process commences with the generation of an idea and follows a series of stages, divided by gates or touchpoints. At each gate, the sector director ultimately decides if they will:

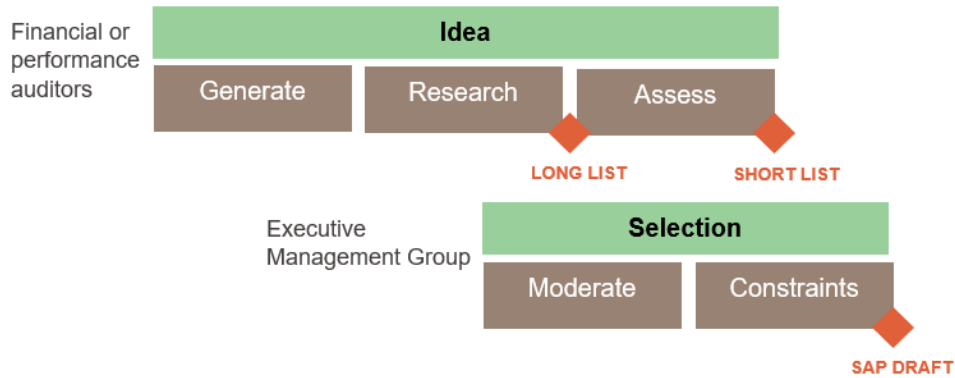
- progress the topic through to the next stage
- move the topic back to an earlier stage
- retain the topic where it is
- cancel the topic.

If the topic progresses through all stages, the sector director recommends its inclusion in the draft SAP.

We apply a structured and rigorous process and encourage all financial and performance auditors to participate by suggesting potential ideas for performance audits that arise from their audit work. Once an auditor raises an idea, and the sector director accepts the topic, the auditor will research the topic in more detail. The results of their research will inform how the sector director decides to progress the topic through each stage.

Figure B3 demonstrates the overarching process we use.

Figure B3
QAO strategic audit plan workflow



Source: Queensland Audit Office.

Assessment against our QAO business drivers

Our assessment of proposed performance audit topics is critical in ensuring that we have a consistent way for assessing each topic and its relative merits. We focus on selecting topics which will contribute to better public services. To achieve this, we assess each topic against our business drivers, which span four main elements:

- relevance to our main stakeholder groups—parliament, the current government, and the public sector
- significance of the issue—financial, economic, social, and environmental
- QAO contribution—our ability to provide assurance and valuable insights to contribute to improving public sector performance
- priority and timing—consideration of time-critical events and competing priorities.

These criteria provide a structured and disciplined approach for us to compare and contrast what can be disparate topics across the entire public spectrum.

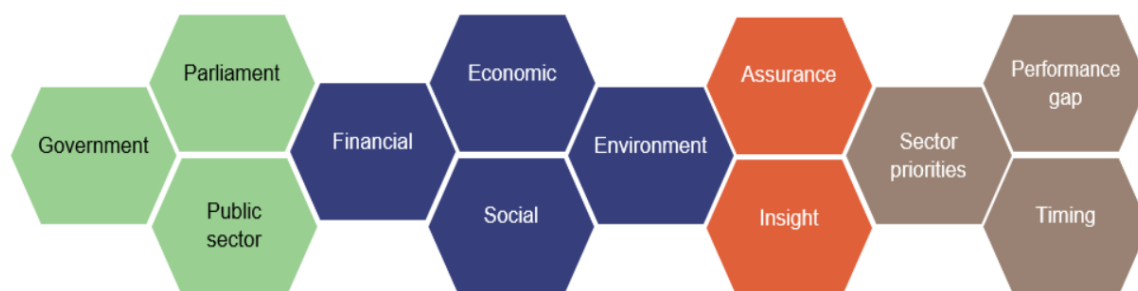
We use the results of the assessments to inform our executive team as part of its deliberations in choosing audits for the SAP. Some of the other relevant considerations in the deliberative process include:

- the coverage of audit types across our performance audit mandate—economy, efficiency, effectiveness, and compliance audits
- the coverage across sub-sectors and by relevant parliamentary committee
- whether specific skill sets are required (and available) for particular audits, for example, whether external technical expertise may be required to assist with the audit
- the impact of current or proposed public sector reforms on proposed audits.

Figure B4 provides an overview of the business drivers we use in our assessment of each topic.



Figure B4
QAO business drivers



Source: Queensland Audit Office.

Each of the business drivers has its own customised five-point scale that allows us to score it from 0–4.

Communicating the plan

Once we have assessed each of the topics on its merits and ensured balance across our program, we consult with relevant agencies and parliamentary committees on our draft SAP. This gives agencies an opportunity to provide comment on the proposed performance audit topics. As a result of this consultation, we may refine our SAP.

The consultation process involves:

- providing stakeholders such as public sector agencies, ministers, and parliamentary committees with the draft SAP for comment
- refining and incorporating changes based on feedback from these stakeholders
- formally issuing the proposed SAP to the parliamentary Economic and Governance Committee for comment for 42 days, and incorporating suggested changes we accept.

We publish our final SAP on our website before 30 June each year, as required under the *Auditor-General Act 2009*.

Our consultation process supports the main objective of our approach: an intelligence-led and evidence-driven process. This means that we focus on what is actually happening in the Queensland public sector rather than what we think is happening. This underpins our vision of better public services as we are identifying topics that are likely to have greater impact on, and positive outcomes for, Queensland public sector agencies and the wider community.

We continue to refine our strategic audit planning process by engaging with our stakeholders at regular intervals throughout the year and designing ways to streamline the flow of intelligence gathered through our engagements.

Changes to the program

Each year, we identify performance audit topics we intend to conduct for each of the following three financial years. While we expect to deliver on the topics we commit to in our SAP, we may reconsider or refine topics for a range of reasons, including:

- the introduction of new legislation or new policy or program initiatives
- changes in the proposed timing or delivery of government services/programs
- machinery of government changes or agency restructure
- a government program or service becoming redundant.

We may also undertake a performance audit into a matter that was not planned but has been referred to us for consideration. Under our mandate, anyone with information or concerns about financial mismanagement in the Queensland public sector can refer these concerns to us. We assess the provided information and, if appropriate, investigate the referral. Our investigations may lead us to determine that a performance audit of the matter is warranted.

From year to year, other changes to our plan may also include:

- the addition of a new topic
- the removal of an existing topic
- a refocus or refinement of the topic and its audit objective
- the rescheduling of an existing topic to another year.



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