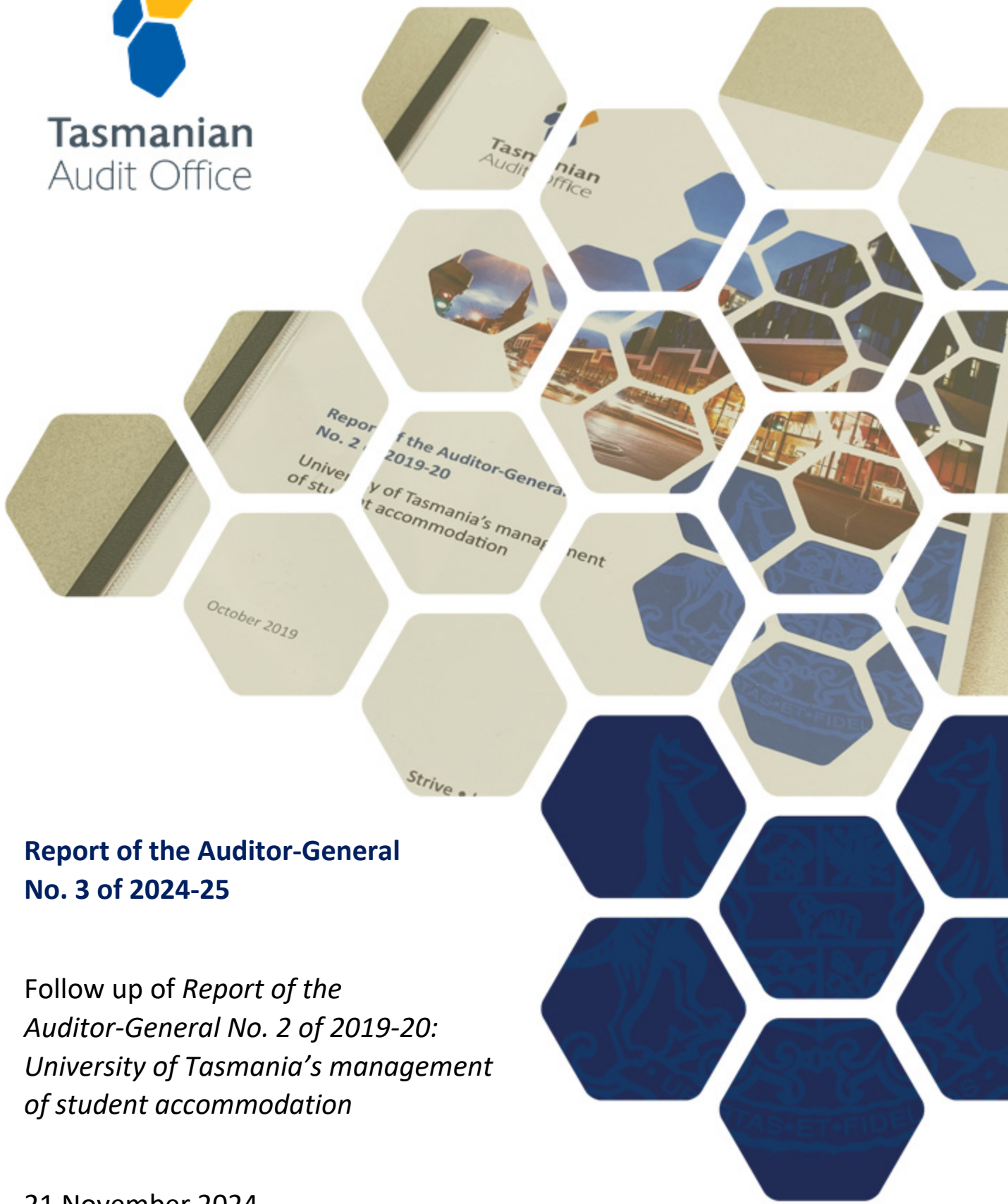




**Tasmanian**  
Audit Office



## **Report of the Auditor-General No. 3 of 2024-25**

*Follow up of Report of the  
Auditor-General No. 2 of 2019-20:  
University of Tasmania's management  
of student accommodation*

21 November 2024

## Our role

The Auditor-General and Tasmanian Audit Office are established under the *Audit Act 2008* and *State Service Act 2000*, respectively. Our role is to provide assurance to Parliament and the Tasmanian community about the performance of public sector entities. We achieve this by auditing financial statements of public sector entities and by conducting audits, examinations and investigations on:

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

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

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

## Acknowledgement of Country

In recognition of the deep history and culture of Tasmania, we acknowledge and pay respect to Tasmanian Aboriginal people, the past and present custodians of this island. We respect Tasmanian Aboriginal people, their culture and their rights as the first peoples of this land. We recognise and value Aboriginal histories, knowledge and lived experiences and commit to being culturally inclusive and respectful in our working relationships.



2024  
PARLIAMENT OF TASMANIA

***Follow up of Report of the Auditor-General No. 2 of 2019-20:  
University of Tasmania's management of student accommodation***

**21 November 2024**

Presented to both Houses of Parliament pursuant to  
Section 30(1) of the *Audit Act 2008*

© Crown in Right of the State of Tasmania November 2024

Auditor-General's reports and other reports published by the Office can be accessed via the Office's website. For further information please contact:

Tasmanian Audit Office

GPO Box 851

Hobart

TASMANIA 7001

Phone: (03) 6173 0900

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

Website: [www.audit.tas.gov.au](http://www.audit.tas.gov.au)

ISBN: 978-1-7636906-1-5

21 November 2024

President, Legislative Council  
Speaker, House of Assembly  
Parliament House  
**HOBART TAS 7000**

Dear President, Speaker

**Report of the Auditor-General No. 3 of 2024-25: Follow up of *Report of the Auditor-General No. 2 of 2019-20: University of Tasmania's management of student accommodation***

This report has been prepared consequent to examinations conducted under section 23 of the *Audit Act 2008*. The objective of this follow-up audit is to express an opinion on the extent to which the University of Tasmania implemented recommendations made in the *Report of the Auditor-General No. 2 of 2019-20: University of Tasmania's management of student accommodation*.

Follow-up audits are carried out to inform Parliament of the extent to which the recommendations from previous audits have been implemented. While I cannot compel State entities to implement recommendations made, it is my expectation that recommendations will be either adopted or at least seriously considered by State entities in a timely manner.

Yours sincerely

Martin Thompson  
**Auditor-General**

Page left blank intentionally

# Table of contents

<b>Independent assurance report</b>	<b>1</b>
<b>1. Did the University develop an overarching student accommodation strategy and improve its engagement with stakeholders on development of facilities?</b>	<b>5</b>
Chapter summary	5
Background	5
Follow up audit findings	7
<b>2. Did the University review and improve engagement with students including maintenance of student accommodation facilities?</b>	<b>9</b>
Chapter summary	9
Background	9
Follow up audit findings	10
<b>Appendix 1 – Submissions and comments received</b>	<b>12</b>
<b>Acronyms and abbreviations</b>	<b>14</b>

Page left blank intentionally



# Independent assurance report

This independent assurance report is addressed to the President of the Legislative Council and the Speaker of the House of Assembly. It relates to my follow-up of the *Report of the Auditor-General No. 2 of 2019-20: University of Tasmania's management of student accommodation*.

## Audit objective

The objective of the audit was to express an opinion on the degree to which the University of Tasmania implemented recommendations made in the *Report of the Auditor-General No. 2 of 2019-20: University of Tasmania's management of student accommodation*. The audit also assessed whether implementing the recommendations improved performance or compliance.

## Audit scope and findings

The audit assessed the implementation of 4 recommendations made in the *Report of the Auditor-General No. 2 of 2019-20: University of Tasmania's management of student accommodation* (the 2019 audit). Table 1 records the extent of implementation for these recommendations.

Table 1: Recommendations assessed and their assessed implementation status

Recommendation	Status
1. Continue with the development and implementation of an overarching student accommodation strategy that would better articulate the linkages from supporting strategies in governing student accommodation.	Partially implemented
2. Develop and implement an agile engagement and communication framework to improve the University's engagement with internal and external stakeholders regarding acquisition and development of student accommodation facilities.	Largely implemented
3. Review and update the Strategic Asset Management Framework to ensure the University's change in operating model for its student accommodation facilities is reflected in the Framework, and includes the process for approving the maintenance provider's suite of asset management plans to ensure they align and support the University's existing asset management policies and strategies.	Not implemented
4. Review and improve engagement with students to obtain a broader understanding of student satisfaction levels and drive improvement in the provision of student accommodation.	Largely implemented

Source: Tasmanian Audit Office

The University of Tasmania (the University) has partially implemented Recommendation 1 and largely implemented Recommendation 2. The implementation of these recommendations has been impacted by the COVID-19 pandemic and a reduction in international student numbers, particularly in Hobart. This has meant the University has not needed to develop any further accommodation facilities since the time of the 2019 audit, with the last facility (Hyttan Hall) underway as of late 2019.

In the 2019 audit, we recommended that the University update its Strategic Asset Management Framework (SAMF) to include the process for approving the facility manager's asset management plans. While the SAMF was reviewed and replaced, the University advised that the process for approving asset management plans is conducted separately under the Purpose-Built Student Accommodation Agreement and has not implemented Recommendation 3 and does not intend to.

The University has largely implemented Recommendation 4 as it has improved engagement with students on satisfaction with student accommodation. This is reflected in the metrics for the 2023 calendar year, with a higher rate of student engagement compared to the results of the 2018 survey outlined in the 2019 audit.

## Audit approach

The audit was conducted in accordance with the Australian Standard on Assurance Engagements *ASAE 3500 Performance Engagements*, issued by the Australian Auditing and Assurance Standards Board, for the purpose of expressing a reasonable assurance opinion.

The audit assessed:

- the extent to which recommendations made in the audit report were implemented
- whether implementation of the recommendations helped improve compliance, efficiency, effectiveness or economy of the University's activities
- the appropriateness of the rationale or evidence to support non-implementation.

## Responsibility of management

It is the responsibility of the Vice-Chancellor of the University to ensure that recommendations from external independent bodies such as the Auditor-General are implemented in a timely manner. Where a strategic or operational business decision has been made not to implement a recommendation, this should be communicated to the University's Audit Committee, or equivalent.

## Responsibility of the Auditor-General

My responsibility was to assess whether the University has taken the necessary actions to implement the recommendations made in the 2019 audit report and whether implementation helped improve performance or compliance.

## Independence and quality control

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQM1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements* in undertaking this follow-up audit.

## Conclusion

We acknowledge that the University is still progressing the implementation of Recommendation 1 and we accept their rationale for not implementing Recommendation 3. All the recommendations from the 2019 audit report will be marked as closed in our file and will not be reviewed in subsequent follow-up reports.

Martin Thompson  
**Auditor-General**

21 November 2024

Page left blank intentionally

# 1. Did the University develop an overarching student accommodation strategy and improve its engagement with stakeholders on development of facilities?

In this chapter, we assessed the implementation of Recommendations 1 and 2 from the 2019 audit.

## Chapter summary

The University of Tasmania (the University) has partially implemented Recommendation 1 and largely implemented Recommendation 2. The implementation of these recommendations has been impacted by the COVID-19 pandemic and a reduction in international student numbers, particularly in Hobart. This has meant the University has not needed to develop any further accommodation facilities since the time of the 2019 audit, with the last facility (Hyttten Hall) underway as of late 2019.

## Background

- 1.1 Students rely on the University to provide good quality, well-maintained and secure accommodation. The provision and standard of student accommodation has been impacted by shortages in affordable private rental accommodation, the COVID-19 pandemic and international student numbers.
- 1.2 The University entered into a Purpose-Built Student Accommodation Agreement (PBSA Agreement) with an external provider in 2017 to manage and maintain most of its student accommodation portfolio. The PBSA Agreement enabled the external provider to invest in new student accommodation, such as Hyttten Hall in the Hobart CBD. Table 2 summarises the University's student accommodation portfolio as of 15 October 2024.

Table 2: The University's student accommodation portfolio

Accommodation	Number of rooms
<b>Hobart</b>	
Hyttten Hall	422
Hobart Apartments	446
Christ College	201
John Fisher College	110

Accommodation	Number of rooms
University Apartments	173
<b>Launceston</b>	
Inveresk Apartments	120
Newnham Apartments	180
Investigator Hall	110
<b>Burnie</b>	
West Park Apartments	40

Source: University of Tasmania

Note: Table 1 excludes the non-University operated Jane Franklin Hall, facilitated private rental accommodation and accommodation offered to medical students. Refer to page 9 of the 2019 audit for a detailed list of student accommodation facilities at the time of the report.

## Findings from the 2019 audit

- 1.3 The 2019 audit found that the University had a strategic approach to the acquisition, disposal and maintenance of student accommodation which was based on well-researched information and analysis. However, this was not brought together in an overarching strategy for student accommodation linked to the University's supporting strategies.
- 1.4 The University managed the demand for student accommodation well by constructing PBSA facilities and acquiring the MidCity and Fountainside hotels in May 2018 and December 2018, respectively. The University made minor modifications and improvements to these properties to prepare them for occupancy.<sup>1</sup>
- 1.5 At the time of the 2019 audit, the University was implementing a template communication plan for major projects which would enable them to better communicate its approach to stakeholders impacted by new student accommodation developments.

---

<sup>1</sup> In April 2024, the University announced that it would sell the MidCity and Fountainside hotels due to changes in international student demand resulting from COVID-19 and the Australian Government's decision to reduce student visa approvals.

## Follow up audit findings

### **The University reviewed its student accommodation strategy in 2022 considering future demand**

- 1.6 The University has partially implemented Recommendation 1 from the 2019 audit.
- 1.7 The University conducted a review of its student accommodation strategy in 2022 considering future demand and resident demographics in each region. As part of the review, the University prepared demand modelling which considered future utilisation and occupancy of its student accommodation portfolio.
- 1.8 According to the University, demand modelling showed no immediate need for further student accommodation facilities. The University had sufficient accommodation in its portfolio, including additional overflow properties, to meet demand.
- 1.9 The University prepared a draft Campus Accommodation Strategic Plan 2024-2027 (Strategic Plan). The Strategic Plan sets out the University's intent and direction with a focus on improving the student experience in accommodation. This included engagement with the external provider around first-year occupancy and retention.
- 1.10 The University believes that the Strategic Plan, once implemented, will result in improved safety and security, improved service delivery and provide a consistent pastoral care and operating model.
- 1.11 While still a draft, the Strategic Plan is detailed and includes a focus on addressing 8 functional priorities supported by objectives and action plans. Three of these functional priorities include the residential experience, facilities and occupancy.
- 1.12 We accept the Strategic Plan covers the right areas to improve accommodation for residents while enabling the University to better articulate its strategic approach to student accommodation.

### **The University has developed a strategic communication planning template for major projects**

- 1.13 The University has largely implemented Recommendation 2 from the 2019 audit.
- 1.14 The University has developed a strategic communication planning template for major projects. This template would be used to identify impacted stakeholders, target key messages and identify risks.
- 1.15 The University has not yet used the strategic communication planning template specifically for the acquisition and development of student accommodation given there was no immediate need for further facilities. However, the strategic communication planning template has been used for other purposes and can be used for student accommodation if required.

## Impact of the recommendations on the University

1.16 According to the University:

*'the strategic communication and engagement framework ensures key internal and external stakeholders inform and guide key decision-making and actions on major projects including Student Accommodation developments.'*



## 2. Did the University review and improve engagement with students including maintenance of student accommodation facilities?

In this chapter, we assessed the implementation of Recommendations 3 and 4 from the 2019 audit.

### Chapter summary

Having well-maintained student accommodation facilities is critical in ensuring student satisfaction. The ongoing maintenance of student accommodation facilities is the responsibility of the external provider's facility managers. We recommended that the University update the Strategic Asset Management Framework (SAMF) to include the process for approving the facility manager's asset management plans. While the SAMF was reviewed and replaced, the University advised that the process for approving asset management plans is conducted separately under the PBSA Agreement and has not implemented Recommendation 3 and does not intend to.

The University has largely implemented Recommendation 4 as it has improved engagement with students on satisfaction with student accommodation. This is reflected in the metrics for the 2023 calendar year, with a higher rate of student engagement compared to the results of the 2018 survey outlined in the 2019 audit.

### Background

#### Findings from the 2019 audit

- 2.1 In the 2019 audit, we found that the University had strategies and plans to manage its infrastructure assets. The University's SAMF details the methodology for managing assets on a whole-of-lifecycle basis. We recommended that the University update the SAMF to reflect the PBSA Agreement to help ensure that its current and future student accommodation needs continue to be met.
- 2.2 The University conducted surveys for students exiting student accommodation. We found that student response rates to the surveys in 2017 and 2018 were low. We concluded these low response rates could provide the University with a disproportionately adverse view of satisfaction levels with student accommodation. However, we found that the quality of student accommodation met compliance standards with maintenance undertaken in a timely manner.

## Follow up audit findings

### The University engaged a consultant to replace the SAMF

- 2.3 The University has not implemented Recommendation 3 from the 2019 audit.
- 2.4 The University engaged a consultant in 2022 to replace the SAMF with a Strategic Asset Management Plan (SAMP). The University was moving away from a maintenance-focused approach when it updated its asset framework. The focus of the SAMP was on the University's built environment and future needs, rather than maintenance activities. The consultant excluded student accommodation from the SAMP as the approval process for maintenance plans was not aligned to the SAMP's intent and objectives.
- 2.5 The University believes that the approval of asset management plans is unique to its PBSA Agreement with the external provider and has not implemented the recommendation as intended.
- 2.6 The external provider's facility managers provide the University with annual plans on the ongoing maintenance of student accommodation facilities. This process has been in place since the start of the PBSA Agreement.

### The University has improved its understanding of student satisfaction with its accommodation facilities

- 2.7 The University has largely implemented Recommendation 4 from the 2019 audit.
- 2.8 The University has improved its methods of data collection to understand the level of student satisfaction with its facilities. The campus accommodation survey had a response rate of 45% (690 of 1,412) in 2024. This was a significant improvement from 25% (455 of 1,842) in 2018 noted in the 2019 audit.
- 2.9 Areas of improvement are seen in all metrics demonstrating the University is responding to student feedback. Notably, improvements can be seen in maintenance responsiveness, access to activities and common spaces as well as safety. With regards to maintenance, 90% of respondents agree or strongly agree that:
  - they know how to raise a request for maintenance or cleaning
  - maintenance and cleaning requests were addressed quickly.
- 2.10 The campus accommodation survey in 2024 also found that 72% of respondents believe that their college is good value for money. While this was the lowest satisfaction metric, it has also seen improvement since 2022.
- 2.11 The University's campus accommodation leadership team analyses student survey results which are then shared with its facility managers to help improve outcomes. In response to student feedback, the University also shared the survey results with students to provide transparency around student satisfaction levels and areas in need of improvement.

## Impact of the recommendations on the University

2.12 The University stated that:

*[We have] 'increased student voice in strategic and action planning and residential experience outcomes, which is then actioned by campus accommodation staff on a regular basis.'*

# Appendix 1 – Submissions and comments received

In accordance with section 30(2) of the *Audit Act 2008*, this report was provided to the relevant Minister, Entity Heads of the audited entities with a request for submissions or comments.

Submissions and comments we receive are not subject to the audit nor the evidentiary standards required in reaching an audit conclusion. Responsibility for the accuracy, fairness and balance of these comments rests solely with those who provided the response. However, views expressed by the responders were considered in reaching audit conclusions. Section 30(3) of the *Audit Act 2008* requires this report include any submissions or comments made under section 30(2) or a fair summary of them. Submissions received are included below.

## Response from the University of Tasmania

The University of Tasmania acknowledges and welcomes the findings of the Auditor-General's follow-up report on the management of student accommodation. We appreciate the thoroughness of the audit process and are committed to continuing our efforts to enhance the student experience, particularly in our residential communities.

We note the progress made in response to the recommendations of the 2019 audit, with several improvements implemented despite the challenges posed by the COVID-19 pandemic and a reduction in overall international student numbers. Specifically:

**Recommendation 1:** The development of the Campus Accommodation Strategic Plan 2024-2027 demonstrates our commitment to a holistic approach to student accommodation and residential communities. We recognise the need for continued improvement and believe that the Strategic Plan, once fully implemented, will deliver significant enhancements to the student residential experience.

**Recommendation 2:** We have largely implemented improvements in our engagement and communication framework, ensuring better dialogue with stakeholders regarding the acquisition and development of student accommodation facilities. This demonstrates our responsiveness to the needs of our community and commitment to transparent decision-making processes.

**Recommendation 3:** While we acknowledge that this recommendation has not been implemented as outlined, we have developed a separate process under the Purpose-Built Student Accommodation Agreement to manage and approve asset management plans. This approach reflects the unique nature of our partnership with external providers and our focus on tailored solutions for managing accommodation assets.

**Recommendation 4:** We are pleased to report significant improvements in our engagement with students regarding satisfaction levels in accommodation. The higher response rates in the 2023 survey and subsequent improvements across key metrics, such as maintenance

responsiveness and safety, reflect our dedication to ensuring that student feedback informs our ongoing actions.

The University remains committed to fostering an environment where students feel supported, safe, and engaged with their residential communities. We will continue to work diligently to address any areas for improvement and build on the progress already made.

# Acronyms and abbreviations

2019 audit	<i>Report of the Auditor-General No. 2 of 2019-20: University of Tasmania's management of student accommodation</i>
Audit Act	<i>Audit Act 2008</i>
PBSA	Purpose-Built Student Accommodation
SAMF	Strategic Asset Management Framework
SAMP	Strategic Asset Management Plan
Strategic Plan	Campus Accommodation Strategic Plan 2024-2027
the University	University of Tasmania

# Audit Mandate and Standards Applied

## Mandate

Section 23 of the *Audit Act 2008* states that:

- (1) The Auditor-General may at any time carry out an examination or investigation for one or more of the following purposes:
  - (a) examining the accounting and financial management information systems of the Treasurer, a State entity or a subsidiary of a State entity to determine their effectiveness in achieving or monitoring program results;
  - (b) investigating any matter relating to the accounts of the Treasurer, a State entity or a subsidiary of a State entity;
  - (c) investigating any matter relating to public money or other money, or to public property or other property;
  - (d) examining the compliance of a State entity or a subsidiary of a State entity with written laws or its own internal policies;
  - (e) examining the efficiency, effectiveness and economy of a State entity, a number of State entities, a part of a State entity or a subsidiary of a State entity;
  - (f) examining the efficiency, effectiveness and economy with which a related entity of a State entity performs functions –
    - (i) on behalf of the State entity; or
    - (ii) in partnership or jointly with the State entity; or
    - (iii) as the delegate or agent of the State entity;
  - (g) examining the performance and exercise of the Employer's functions and powers under the *State Service Act 2000*.
- (2) Any examination or investigation carried out by the Auditor-General under subsection (1) is to be carried out in accordance with the powers of this Act

## Standards Applied

Section 31 specifies that:

'The Auditor-General is to perform the audits required by this or any other Act in such a manner as the Auditor-General thinks fit having regard to -

- (a) the character and effectiveness of the internal control and internal audit of the relevant State entity or audited subsidiary of a State entity; and
- (b) the Australian Auditing and Assurance Standards.'

The auditing standards referred to are Australian Auditing Standards as issued by the Australian Auditing and Assurance Standards Board.



**Tasmanian**  
Audit Office

**Hobart Office**

**Phone** (03) 6173 0900

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

**Web** [www.audit.tas.gov.au](http://www.audit.tas.gov.au)

**Address** Level 2, 144 Macquarie Street  
Hobart, 7000

**Postal** GPO Box 851, Hobart 7001

**Launceston Office**

**Phone** (03) 6173 0971

**Address** 4th Floor, Henty House  
1 Civic Square, Launceston