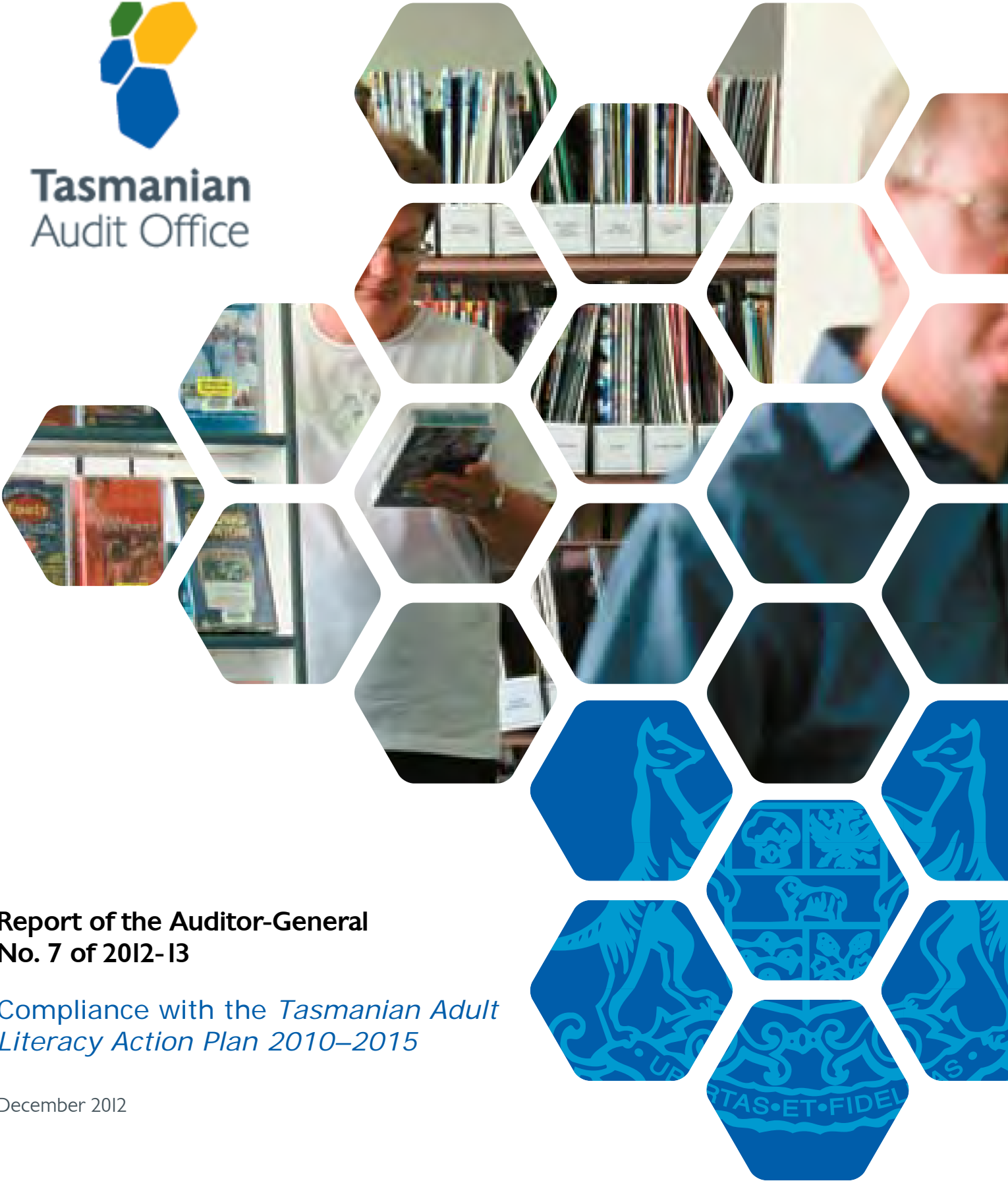




Tasmanian
Audit Office



**Report of the Auditor-General
No. 7 of 2012-13**

*Compliance with the Tasmanian Adult
Literacy Action Plan 2010–2015*

December 2012

The Role of the Auditor-General

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

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

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

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

We also conduct performance audits and compliance audits. Performance audits examine whether a State entity is carrying out its activities effectively and doing so economically and efficiently. Audits may cover all or part of a State entity's operations, or consider particular issues across a number of State entities.

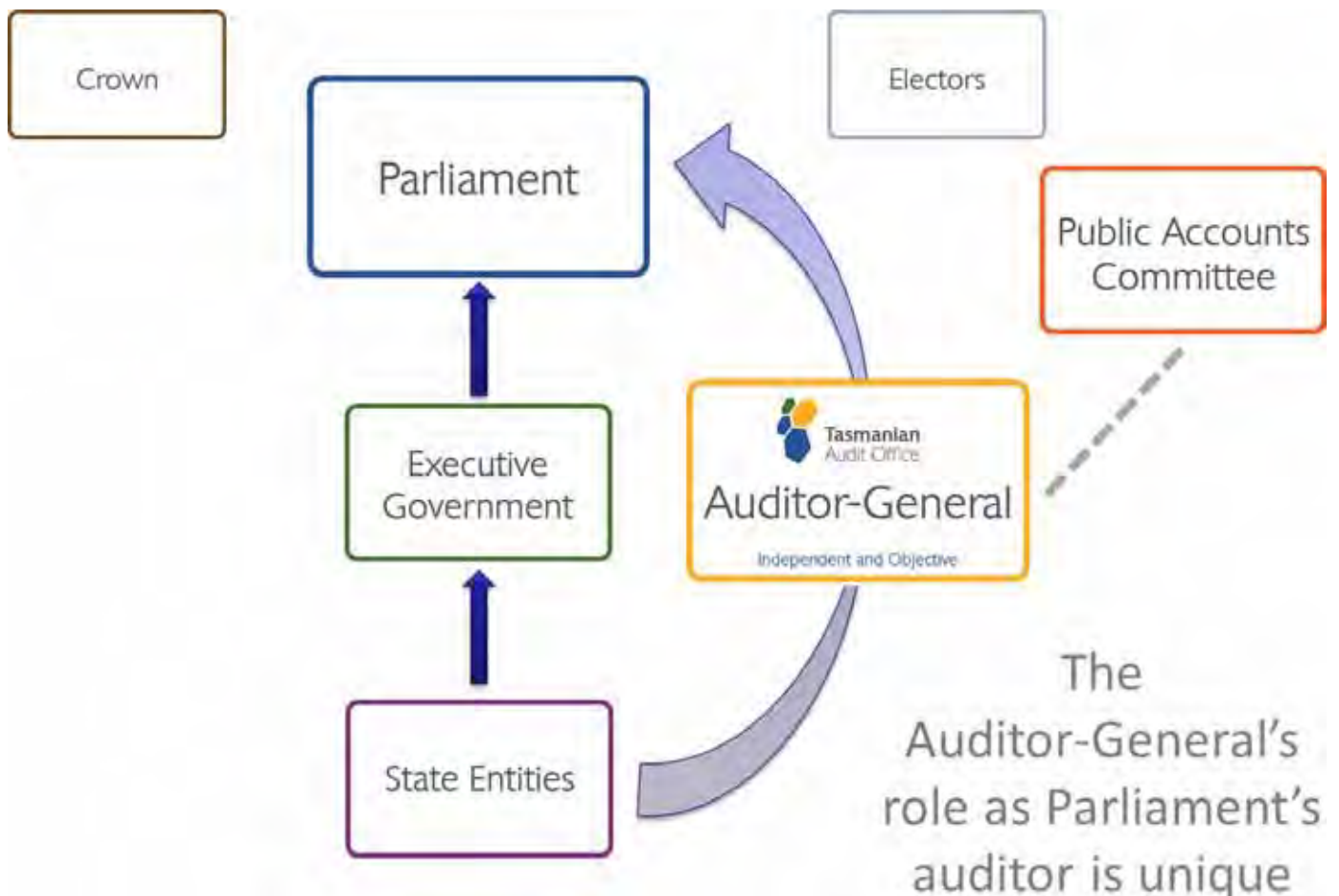
Compliance audits are aimed at ensuring compliance by State entities with directives, regulations and appropriate internal control procedures. Audits focus on selected systems (including information technology systems), account balances or projects.

We can also carry out investigations but only relating to public money or to public property.

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

Where relevant, the Treasurer, a Minister or Ministers, other interested parties and accountable authorities are provided with opportunity to comment on any matters reported. Where they choose to do so, their responses, or summaries thereof, are detailed within the reports.

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



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20 December 2012

President
Legislative Council
HOBART

Speaker
House of Assembly
HOBART

Dear Madam President
Dear Mr Speaker

REPORT OF THE AUDITOR-GENERAL

No. 7 of 2012–13

Compliance with the *Tasmanian Adult Literacy Action Plan 2010–2015*

This report has been prepared consequent to examinations conducted under section 23 of the *Audit Act 2008*. The objective of this compliance audit was to ascertain whether the strategies identified in the *Tasmanian Adult Literacy Action Plan 2010-2015* have been implemented.

Yours sincerely

H M Blake
AUDITOR-GENERAL

Foreword

The aim of *Tasmania's Adult Literacy Action Plan 2010–2015* (the Action Plan) is for 'young people and adults to have the literacy skills they need to fully participate in their family life, the community, learning and employment'¹. This is a most worthy objective bearing in mind that in 2006, the Australian Bureau of Statistics reported 49 per cent of Tasmanians (approximately 174 000 adults at that time) did not have adequate literacy skills to understand and make effective use of information from everyday sources such as newspapers, books or brochures.

This compliance audit sought to establish the extent to which Skills Tasmania and the Department of Education's LINC Tasmania have implemented the strategies identified in the Action Plan, including the establishment of meaningful performance indicators and reporting progress against them. Completion of a compliance audit was intentional because it is too early to assess outcomes. However, an audit of achievements will be needed either by my Office or by the Department of Education.

While the Action Plan is still in its early stages, I concluded there has been a high level of compliance with its strategies resulting in significant activities, including recruitment of staff and volunteers, information sharing, grants provided and strong participation.

There are indications that higher numbers of adults are receiving literacy support and that programs run under the Action Plan have resulted in participants gaining employment or enrolling in further training.

These early achievements are important in the context of a \$17m investment over the life of the Action Plan.

H M Blake

Auditor-General

20 December 2012

¹ *Tasmanian Adult Literacy Action Plan 2010–2015*,
p4

Acronyms and abbreviations

ACSF	Australian Core Skills Framework
TSI	Tasmanian Skills Institute

Executive summary

Background

In 2006, the Australian Bureau of Statistics reported 49 per cent of Tasmanians (approximately 174 000 adults at that time) did not have adequate literacy skills to understand and make effective use of information from everyday sources such as technology commonly used in a workplace, books or brochures. Functional literacy skills underpin effective participation in our communities and economic growth.

In response to the low literacy levels, the Department of Education committed \$11m in the 2010–11 budget to implementing the *Tasmanian Adult Literacy Action Plan 2010–15* (the Action Plan). The aim of the Action Plan is to move the State toward the Tasmania Together target of 58.5 per cent of 15–74 year olds assessed as functionally literate by 2020. Subsequently, additional funding in forward estimates increased the Government's investment in the Action Plan to \$17m.

Our *Annual Plan of Work 2012–13* included 'various compliance projects'. As the Action Plan outlines requirements over a four-year period, we considered an audit of progress to date would provide an opportunity for timely feedback and support successful implementation of the plan.

The Auditor-General announced a compliance audit of the Action Plan in July 2012. Following consideration of submissions made to the Audit Office in relation to adult literacy, the Auditor-General identified several issues that may warrant future work beyond the scope of this compliance audit, such as outcomes following completion of the plan and changes in adult literacy levels.

Detailed audit conclusions

The following audit conclusions are based on audit criteria that we developed in order to support our audit objective.

Has an informal community and workplace network of adult literacy support been established?

Sufficient work has been undertaken to satisfy five of the first seven actions listed in the Action Plan. The Action Plan did not allocate funding for the other two. Work has included establishing a network of Adult

Literacy Support Officers and support for regional communities of practice. Also, literacy support to apprentices and job seekers has been extended by programs such as *Getting There* and *Working it out* — *write here right now*.

Funding has been obtained to commence the remaining actions in 2013. In addition, the recently launched communication strategy (known as *26TEN*) aims to strengthen development of community and workplace networks to support adult literacy. We recommend future plans specify funding for all actions.

Has a state-wide team of coordinators to drive the Adult Literacy Network been established?

We concluded that LINC Tasmania has complied with the Action Plan requirement to extend the Adult Literacy Coordinator Network. That has involved employing more than 16.5 FTE additional coordinators to work across all Tasmanian communities, including three working with the Department of Justice. That network of coordinators was working with 529 trained volunteers to support Tasmanians with literacy learning needs, at the time of the audit.

Have key indicators been developed to measure improvements in adult literacy support and outcomes?

We concluded that Skills Tasmania and LINC Tasmania have established key indicators to measure improvements delivered by Action Plan initiatives.

To date, indicators show that the Action Plan has achieved a level of community engagement. Similarly, the network of literacy support has expanded. There was also evidence of people continuing onto further training or gaining employment as a consequence of their attainments.

List of recommendations

The Report contains one recommendation.

Rec.	Sec.	We recommend that ...
1	1.6	... the Department of Education ensure that adequate funding is allocated to support actions in all similar future plans.

Submissions received

Introduction

In accordance with section 30(2) of the *Audit Act 2008*, a copy of this Report was provided to Skills Tasmania and the Department of Education. A summary of findings was also provided to the Premier and the Minister for Education and Skills with a request for comments or submissions.

Comments and submissions provided 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 or comment.

Skills Tasmania

Thank you for the opportunity to provide a management response to the above compliance audit.

Skills Tasmania supports the recommendation in the audit report.

I consider that the observations and conclusions give a sound and comprehensive appraisal of the establishment and operation of the Action Plan.

Dr Chrissie Berryman

General Manager

Department of Education

Thank you for the opportunity to provide a management response to the above compliance audit.

The Department of Education accepts the recommendation in the report.

The Department concurs with the audit's observations and conclusions and considers the report a sound appraisal of the early implementation of the Tasmanian Adult Literacy Action Plan 2010–15.

Colin Petit

Secretary

Minister for Education and Skills

Thank you for the opportunity to discuss and respond to the above compliance audit.

I am pleased to accept the report and its recommendation.

The report represents a sound appraisal of the early implementation of the Tasmanian Adult Literacy Action Plan 2010-15. Importantly, the report's observations and conclusions will inform the ongoing implementation of the Action Plan by the Department of Education, Skills Tasmania and the wider 26TEN Network.

Please convey my thanks to the Tasmanian Audit Office staff involved in the audit process.

The Hon Nick McKim MP

Introduction

Background

Surveys undertaken by the Australian Bureau of Statistics have shown that too many Tasmanians are managing everyday life without the literacy skills they need to attempt training, get a job or embrace emerging technology. Functional literacy skills are important for effective participation in our communities and economic growth.

In response to the low literacy levels, the Tasmanian Government launched the *Tasmanian Adult Literacy Action Plan 2010–15* (the Action Plan), and assigned joint responsibility for its implementation to Skills Tasmania and LINC Tasmania. The Tasmanian Audit Office's *Annual Plan of Work 2012–13* included undertaking various compliance audits. As the Action Plan spanned a four-year period, we considered an audit of progress to date would provide an opportunity for timely feedback and support successful implementation of the plan.

Context

In 2006, the Australian Bureau of Statistics reported 49 per cent of Tasmanians (approximately 174 000 adults at that time) did not have adequate literacy skills to understand and make effective use of information from everyday sources such as newspapers, books or brochures.

Assessment tasks set for the survey included reading instructions to administer medicines, interpreting invoices for household services, and planning transport solutions using route maps or timetables. The survey showed Tasmanian adult literacy skills were amongst the lowest levels in Australia.

In November 2010, the Australian Government established a working group to develop a national strategy to improve the foundation skills of all adults, and drive government action over the next ten years. Foundation skills include literacy and numeracy, as well as the cognitive skills required to solve problems and use information technology in modern workplaces. The national strategy will use the Australian Core Skills Framework to address literacy. This Framework provides a consistent national approach to describing and discussing

performance in the five core areas of:

- learning
- reading
- writing
- oral communication
- numeracy.

In Tasmania, the Government committed \$11m over four years in the 2010–11 budget to implementing the Action Plan. The aim of the Action Plan is to move the State toward the *Tasmania Together* target of 58.5 per cent of 15–74 year olds assessed as functionally literate by 2020. The Action Plan contains three major strategies:

- establish an informal community and workplace network of adult literacy support
- establish a state-wide team of coordinators, supported by a pool of trained volunteers to drive the network of adult literacy support
- develop key indicators to measure improvements in adult literacy support and outcomes.

The Action Plan is being jointly implemented by:

- Skills Tasmania²
- the Department of Education's LINC Tasmania³.

In addition to the \$11m funding, both entities committed resources from their existing resources to deliver the Action Plan. In August 2012, forward estimates to 2015-16 were approved, expanding the Government's investment to \$17m.

2 Skills Tasmania is the Tasmanian State Training Authority. Skills Tasmania develops strategies to provide support, advice and funding for training in workplaces and industries, including literacy support. It is distinct from the Tasmanian Skills Institute which delivers training as a Registered Training Organisation, some of which is funded by programs administered by Skills Tasmania.

3 LINC Tasmania brings together the services of the State Library of Tasmania, the Tasmanian Archive and Heritage Office, Adult Education, adult literacy support, community learning and online access centres. The *Tasmanian Adult Literacy Action Plan 2010–15* refers to the Community Knowledge Network which is now known as LINC Tasmania.

The Auditor-General announced a compliance audit of the Action Plan in July 2012. Following consideration of submissions made to the Audit Office in relation to adult literacy, the Auditor-General identified several issues that may warrant future work beyond the scope of this compliance audit, such as performance outcomes at completion of the plan and improvements in adult literacy levels.

Audit objective

The objective of this compliance audit was to ascertain whether Skills Tasmania and the Department of Education's LINC Tasmania have implemented the strategies identified in the Action Plan, including the establishment of meaningful performance indicators and reporting progress against them.

This compliance audit was conducted part way through the timeline of the Action Plan. While progress to date has been noted in Chapter 3, the objective of this audit does not include assessment of the outcomes or effectiveness of the Action Plan.

Audit scope

Skills Tasmania and LINC Tasmania are jointly responsible for implementation of the Action Plan. This audit looked at progress-to-date undertaken by both entities since the start of the Action Plan, including administration of the Adult Literacy Investment Fund⁴.

⁴ The first action listed under strategy one in the Action Plan is to establish an Adult Literacy Investment Fund. It states the Government will provide \$1m a year over four years to fund literacy programs in workplaces and communities. Skills Tasmania and LINC Tasmania are jointly responsible for the implementation of the Action Plan and administration of the Adult Literacy Investment Fund.

Audit criteria

We applied the following audit criteria, derived from strategies of the Action Plan, namely:

- Has an informal community and workplace network of adult literacy support been established?
- Has a state-wide team of coordinators and trained volunteers to drive the network of adult literacy support been established?
- Have key indicators been developed to measure improvements in adult literacy support and outcomes?

Audit approach

To conduct this audit, we:

- interviewed relevant staff at LINC and Skills Tasmania
- reviewed documentation from both entities.

Timing

Planning for this audit began in July 2012. Fieldwork was completed in October and the report was finalised in December.

Resources

The audit plan recommended 675 hours and a budget, excluding production costs, of \$96 700. Total hours were 550 and actual costs, excluding production, were \$80 000. The audit process was expedited by the efficiency with which Skills Tasmania and LINC Tasmania provided the information, documentation and access to resources needed to complete this audit.

1 Has an informal community and workplace network of adult literacy support been established?

1.1 Background

Adult literacy support programs and services were already being provided by separate government, community and business organisations before the *Tasmanian Adult Literacy Action Plan 2010–15* (the Action Plan) began in 2010. However, the Action Plan recognised potential benefits in supporting a network of partnerships across all of the service providers involved in literacy support.

The Action Plan aims to increase access to literacy services and overcome people’s reluctance to participate by offering programs in familiar environments and promoting relevant, realisable benefits. Participants’ goals might start with sending an email or text message, pursuing a hobby or interest or reading a book to their children, before finding they are empowered to undertake other courses or progress to gaining employment.

Work under the Action Plan has included developing a communications strategy with a new brand identity for adult literacy. The new brand, *26TEN*, provides a base for the community and workplace network of adult literacy support, a website and a telephone referral service. The *26TEN* communications strategy includes a campaign to help Tasmanians connect with adult literacy programs and services in workplaces and communities. The *26TEN* network is discussed further in Section 1.7 of this Report. The remainder of this Chapter discusses the seven actions listed as requirements to implement the first strategy of the Action Plan, which is to establish an informal community and workplace network of adult literacy support.

1.1.1 Funding arrangements

As outlined in the Introduction, the original budget of \$11m over the four years 2010–2015 was extended in forward estimates to 2015–16, expanding the Government’s investment to \$17m, as shown in Table 1.

Table 1: Budget investment in the Action Plan 2010-2016 (\$m)

2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Total
\$2.380	\$2.810	\$2.870	\$2.930	\$2.966	\$3.003	\$17

The extended budget of \$17m combines the initial \$11m, an additional investment of \$0.350m from the Social Inclusion Unit (of the Department of Premier and Cabinet) in support of the *26TEN* network, and the Government’s projected investment for 2014–15 and 2015–16 as published in budget forward estimates this year.

At the time of our audit, the Action Plan is part way through its life cycle. Funding for 2010–11 and 2011–12 has been expended. What that funding has achieved is discussed in the rest of this Report.

1.2 Has the Adult Literacy Investment Fund supported programs in workplaces and communities?

The first action listed in the Action Plan is to establish an Adult Literacy Investment Fund, which is to provide \$1m annually for four years to support adult literacy programs in workplaces and community organisations, registered training organisations, and the Community Knowledge Network⁵. The Department of Education established the Fund in accordance with the Action Plan. Skills Tasmania administers \$700 000 each year, whilst LINC Tasmania manages the remaining \$300 000.

1.2.1 Skills Tasmania

In each of the first two years of the Action Plan, Skills Tasmania has dispersed \$700 000 of the Adult Literacy Investment fund amongst 17 grants. Six were to workplace literacy programs under the Employer Pledge Program (\$500 000 per year) and eleven to community service organisations under the Community Grants Program (\$200 000 per year).

⁵ The Community Knowledge Network is now known as LINC Tasmania.

The Community Grants Program funds community partnerships and programs for specific target groups such as indigenous people, newly-arrived migrants, people with disabilities, volunteers and the unemployed.

Grants made under the Employer Pledge Program require employers to pledge to support their employees' participation in literacy projects. Employers are encouraged to apply for grants to engage qualified literacy support workers to deliver programs to assist employees improve their literacy skills. Conditions of the grants restrict funding to items proposed in successful applications. Recipients are required to submit three reports to Skills Tasmania: mid-project, at project's end and a follow-up report, along with a full-financial acquittal of the grant monies. Any unspent monies must be returned to Skills Tasmania.

Employers were slow to respond to the Employer Pledge Program; many expressed concern about their capacity to pay employees whilst they participated in the programs during the economic climate of 2010–11 and 2011–12. Nevertheless, Skills Tasmania continued to promote the program and identified enough partners to distribute the entire \$700 000 funding in each of the years to date, in accordance with the Action Plan.

1.2.2 LINC Tasmania

LINC Tasmania administers \$300 000 of the Fund through its Literacy Skills Development program. The Literacy Skills Development program supports projects that demonstrate literacy development outcomes for learners. The program also has supported research into adults living with low literacy skills and its impact on their daily lives. That research explored barriers to adults taking up core skills learning, as well as potential motivators and the support that would encourage their engagement. However, the priority for the Literacy Skills Development program is to support projects that engage new literacy learners and that add value to the one-on-one support delivered by volunteer tutors at LINC locations across the State. Literacy Skills Development programs focus on practical activities to improve literacy levels, e.g. writing a résumé, applying for a boat or chainsaw license or gaining a white card to facilitate working on a construction site. Under the program, 46 projects were funded in 2011–12, such as:

- *Making Ends Meet*: using local community resources and information to help build literacy and numeracy skills
- *Stepping Out*: activities for young mothers including parent and child learning, health and fitness, creative arts and setting personal learning goals
- *MARCH — Making Art Real Change Happens*: drama workshops engaging community corrections participants in scripting and staging works reflecting relevant themes
- *Ready Set Go!*: helping participants to develop skills and confidence to explore study or work options, such as gaining a license or a First Aid Certificate
- *Community Blitz!*: establishing partnerships for learning and employment support through business and community resources in the Brighton Municipality.

We concluded that both Skills Tasmania and LINC Tasmania were administering the Adult Literacy Investment Fund to support programs delivered in workplaces and communities, in compliance with the Action Plan. Outcomes and performance indicators are discussed in Chapter 3 of this Report.

1.3 Has a community of practice been established?

The Action Plan allocated \$370 000 to establish a community of literacy workers ready to deliver literacy projects. Skills Tasmania used that allocation to employ a dedicated Project Officer who has established a register of literacy workers to support program delivery funded by the Adult Literacy Investment Fund.

The Project Officer promoted training for new and existing literacy workers on how to apply the Australian Core Skills Framework (which is the nationally recognised standard for measuring literacy skills).

The Project Officer invited trained literacy workers to register as Adult Literacy Support Officers. Funding from the Adult Literacy Investment Fund is used to engage registered Adult Literacy Support Officers to deliver programs under the Employer Pledge and Community Grants Programs, discussed in Section 1.2. Skills Tasmania reported 39 literacy workers were registered as Adult Literacy Support Officers on the website by September 2011, increasing to 47 at June 2012.

Three regional communities of adult literacy practitioners exist across the State; in the South, the North and the North-West. Members include literacy practitioners from all sectors of the community. These networks allow practitioners to keep up-to-date on activities, explore opportunities to work together and share practice experiences. Skills Tasmania and LINC Tasmania also made workshops on the Australian Core Skills Framework available to members of these regional communities of practice.

We conclude that Skills Tasmania appointed a dedicated Project Officer, created a website and that together, Skills Tasmania and LINC Tasmania supported communities to encourage greater collaboration amongst adult literacy workers and volunteers, as required by the Action Plan.

1.4 Has literacy support to apprentices been extended?

Skills Tasmania funds literacy support to apprentices and trainees under the Additional Tutorial Assistance program. That program, delivered by the Tasmanian Skills Institute (TSI), provides a safety net for apprentices and trainees at risk of not completing their training because of deficient literacy skills.

The reach of the Additional Tutorial Assistance programs is demonstrated in the last two years:

- In 2011, TSI provided 1805 hours of literacy support to 120 apprentices and trainees or an average of 15 hours per student.
- In just the first half of 2012, TSI provided 1783 hours to 102 apprentices and trainees, averaging 17.5 hours per student.

Projects funded through the Employer Pledge Program, such as *Getting There* and the *Working it out — write here right now* programs, provide further literacy support to apprentices and trainees.

Getting There provides language, literacy and numeracy training and support to young people who apply for an apprenticeship but are unsuccessful due to low language or literacy skills. Participants are helped to develop their skills to be selected as an apprentice or enrol in other training. We noted that nearly half of *Getting There* participants had gained employment within two months of their training or had enrolled in further training.

Working it out — write here right now delivered literacy training in regional and rural areas around the state, e.g. at Geeveston, Georgetown, Devonport, Ulverstone and Smithton.

We concluded that literacy support to apprentices and trainees had been extended by the implementation of actions outlined in the Action Plan.

1.5 Has there been any collaborative work with Australian Government on providing support and training to job seekers?

In November 2010, the Australian Government established a Foundation Skills Working Group with representatives from each state. An important step in the program was to assess the skills required in modern workplaces, including literacy and numeracy.

We found persuasive evidence, including minutes of meetings and funding, that Skills Tasmania had actively participated in the national working group.

We concluded that the State is participating in collaborative work with the Australian Government on providing support and training to job seekers.

1.6 Have staff received relevant diversity training?

The Action Plan requires staff likely to meet clients with low literacy skills to receive adequate diversity training to ensure learning needs are recognised and literacy support services are promoted effectively. Staff in many government services engage with potential participants. Previous work undertaken by LINC Tasmania has shown that literacy programs and services are best promoted by recommendation and word of mouth. The Action Plan recognised the importance of ensuring relevant staff undertook adequate diversity training to ensure they were able to engage with clients and promote literacy support programs and services effectively. However, diversity training was one of several actions for which the Action Plan did not allocate funding.

The Action Plan listed amounts as *Cost over 4 years against Indicators for Implementation* for five of the ten actions, which totalled more than \$12m over four years. These costs exceeded the original budget of \$11m by \$1.046m, and made no provision for the remaining actions. Table 2 shows the *Cost over 4 years* specified in the Action Plan.

Table 2: Cost estimations listed in the Action Plan

Action	Description	Amount (\$m)
1.1	Adult Literacy Investment Fund	4.000
1.2	Community of literacy workers	0.370
1.3	Apprentices and trainees	0.700
1.6	Community awareness	0.350
2.1	Extend the coordinator network	6.626
Total		12.046

For the remaining actions not included in Table 2, including provision of diversity training to frontline service staff, funding was not specified.

Funding for the first two years of the four-year Action Plan was fully expended. We found records that showed SkillsTasmania and LINC Tasmania had supported several of the unfunded aspects of the Action Plan from existing resources. However, in June 2012, both entities identified that their capacity to assign further resources was diminishing.

The *26TEN* communications strategy is not just a website, a telephone referral service or an advertising campaign. The *26TEN* strategy includes a members program to engage Tasmanian business, community and government organisations, including adult literacy service providers, and addresses the network requirements of the first strategy listed in the Action Plan. As *26TEN* progressed, Skills Tasmania and LINC Tasmania recognised opportunities to incorporate aspects of the plan that had yet to be implemented. That included the previously unfunded actions of providing diversity or literacy awareness training to frontline staff.

Subsequently, it was proposed that the Adult Literacy Investment Fund be realigned to work better with deliverables under the *26TEN* Network. This included marketing of the grants discussed in Section 1.2, and opportunities to provide the unfunded actions such as the diversity and literacy awareness training.

In 2012, the Minister for Education approved the request from Skills Tasmania and LINC Tasmania to reallocate \$200 000 of the Adult Literacy Investment Fund. As a result of the reallocation, the Investment Fund will support the *26TEN* grants, website and telephone referral service, workforce development and other unfunded actions including workshops to promote diversity and literacy awareness and plain English communications⁶.

We concluded that, to date, work has not yet been done to provide diversity training to frontline service staff. However, we note that funding has been arranged for this activity.

Recommendation 1

We recommend that the Department of Education ensure that adequate funding is allocated to support actions in all similar future plans.

1.7 Has community awareness of adult literacy increased?

LINC Tasmania has developed the *26TEN* communications strategy as a base and a brand identity (i.e. *26TEN*) for the work being done to expand the network of business, community and government organisations engaged in adult literacy support. As well as the brand identity and marketing campaign, *26TEN* provides internet access to literacy support services and a confidential telephone referral service⁷.

⁶ The reallocation of funds is also discussed in Section 1.8 of this report which relates to using plain English in all documents.

⁷ The Premier and the Minister for Education launched *26TEN* in October 2012, proclaiming 26 October hereafter as *26TEN* day. The brand makes reference to the 26 letters of the alphabet and ten numerical digits that people with low literacy skills struggle to use effectively every day.

We concluded that work to increase community awareness of adult literacy has commenced. At the time that we examined the Action Plan, the *26TEN* strategy has been launched to establish a network of government agencies, businesses and the community sector. It shows an increased commitment to initiatives that raise awareness around adult literacy.

1.8 Has the use of plain language in public documents been promoted across the State Service?

We found the guidelines for the Employer Pledge Program included projects to increase plain language in workplace documents. The Action Plan required Government and non-government organisations be assisted to deliver documents in plain language. However, like the diversity training discussed in Section 1.6 of this Report, the promotion of plain language was one of the actions for which the Action Plan did not allocate specific funding.

However, the reallocation of funding and expansion of the budget to forward estimates for two more years means funding has been arranged for this activity (as with diversity training).

Plain English workshops are listed in the description of the *26TEN* communications strategy launched in October 2012. Outputs include resources to deliver training programs to business, community and government organisations, commencing in February 2013. LINC Tasmania has advertised for contractors and training organisations to register as providers of plain English workshops in 2013.

We concluded that there is work yet to be done to promote plain language in public documents across the State Service. However, we note that funding has been arranged for this activity and work has begun.

We restate Recommendation 1:

We recommend that the Department of Education ensure that adequate funding is allocated to support actions in similar future plans.

1.9 Conclusion

Sufficient work has been undertaken to satisfy five of the first seven actions listed in the Action Plan. The Action Plan did not allocate funding for the other two. Work has included establishing a network of Adult Literacy Support Officers and support for regional communities of practice. Also, literacy support to apprentices and job seekers has been extended by programs such as *Getting There* and *Working it out — write here right now*.

Funding has been obtained to commence the remaining actions in 2013. In addition, the recently launched communication strategy (known as *26TEN*) aims to strengthen development of community and workplace networks to support adult literacy. We recommend future plans specify funding for all actions.

2 Has a state-wide team of coordinators to drive the Adult Literacy Network been established?

2.1 Background

The second strategy listed in the Action Plan is to establish a state wide team of coordinators supported by a pool of trained volunteers to drive the Adult Literacy Network. To confirm compliance with the requirements listed in the Action Plan, we looked at three criteria for the second strategy, namely:

- the number of coordinators
- the number of trained volunteers
- whether literacy support was being provided in the prison service.

2.2 Were an additional 16.5 FTE adult literacy coordinators employed?

In this Section, we discuss the adult literacy coordinators engaged by LINC Tasmania, as distinct from adult literacy support officers registered with Skills Tasmania.

A commitment of \$2.8m funding over four years from the 2008–09 state budget, allowed an initial small team of adult literacy coordinators to be established through the Community Knowledge Network (now known as LINC Tasmania). As a result, seven FTE coordinators were appointed in July 2010. Those coordinators worked in Huonville and urban communities to recruit volunteers and initiate a program of literacy support.

The Action Plan estimated an additional \$6.626m over four years would be required to extend the network of coordinators by 16.5 FTE. LINC Tasmania is receiving \$6.065m over 4 years which is being used to fund an additional 16.8 FTE coordinators. Consequently, LINC Tasmania has achieved 0.3 FTE more than the Action Plan requirement of 16.5 additional coordinators. Thus, by June 2012, the LINC Tasmania network had expanded from 7 FTE to a total of 23.8 FTE adult literacy coordinators.

2.3 Are the adult literacy coordinators supported by trained volunteers?

Prior to the start of the Action Plan in 2010, the seven literacy coordinators referred to in Section 2.2 supported 116 volunteers — operating from eight locations, namely Burnie, Devonport, Glenorchy, Hobart, Huonville, Kingston, Launceston and Rosny.

By June 2012, LINC Tasmania reported that the network of 23.8 literacy coordinators was working with 529 volunteer tutors in urban and regional locations across Tasmania.

2.4 Have three adult literacy coordinators been located in the Tasmania Prison Service?

The Action Plan also required three adult literacy coordinators to be located in the Tasmanian Prison Service to coordinate a team of volunteers to provide support and training to prison inmates pre- and post-release, and those serving community orders.

Records showed the 23.8 coordinators engaged by LINC Tasmania included three working with the Department of Justice to support prisoners and offenders: one at Risdon Prison and two within Community Corrections (in Launceston and Hobart).

2.5 Conclusion

We concluded that LINC Tasmania has complied with the Action Plan requirement to extend the Adult Literacy Coordinator Network. That has involved employing more than 16.5 FTE additional coordinators to work across all Tasmanian communities, including three working with the Department of Justice. That network of coordinators was working with 529 trained volunteers to support Tasmanians with literacy learning needs, at the time of the audit.

3 Have key indicators been developed to measure improvements in adult literacy support and outcomes?

3.1 Background

The *Tasmania Together* indicator (No. 3.1.4) records the proportion of persons (aged 15–74) considered to be functionally literate. The Action Plan discusses working toward the *Tasmania Together* target of 58.5 per cent by engaging business, community and government organisations, extending the network of adult literacy coordinators, improving training systems, and supporting workplace and community programs.

The Action Plan requires establishment of the Adult Literacy Coalition of Interest, convened to monitor implementation of the Action Plan. The Coalition was established in late 2011. Members are drawn from business and industry as well as a range of community groups. The General Manager of Skills Tasmania and the Director of LINC Tasmania are ex-officio members. The role of the Coalition is to:

- oversee progress in implementing the actions outlined in the Action Plan
- provide advice on the involvement of business and community sectors in implementing the Action Plan
- manage and promote the adult literacy brand and its use by business, community and government organisations.

The remainder of this Chapter discusses the three criteria we considered in relation to the third strategy listed in the Action Plan, which is to use meaningful indicators to measure progress on improving adult literacy.

3.2 Have meaningful performance indicators been developed?

The Action Plan originally listed fifteen indicators for implementation against the three strategies that it articulated. During the first year of implementation the indicators were revised in the light of practical experience. Skills Tasmania, LINC Tasmania and members of the Coalition contributed to refining meaningful measures for the indicators. A particular difficulty was to measure changes in

participants' confidence and self-esteem reliably. LINC designed a trial instrument to 'triangulate' three pieces of evidence comprising:

- an increase in one level on the Australian Core Skills Framework (ACSF) as assessed by the literacy coordinator
- self-assessment by the learner of his or her own confidence and self-esteem using a rating scale against four key statements
- a validation assessment against the same rating scale by the learner's tutor.

Formal reports to the Coalition for this outcome are due to begin in 2012–13.

The first annual report for the Action Plan recorded the revisions made to the outcomes to ensure the indicators remained meaningful as work to implement the plan progressed⁸. The improved indicators are listed as fourteen outcomes measurements in the second annual report for the Action Plan⁹.

We concluded that work had been undertaken to develop meaningful performance indicators for the Action Plan.

3.3 Have LINC and Skills Tasmania reported against those indicators?

Skills Tasmania and LINC Tasmania developed a reporting framework to record performance against the indicators listed in the Action Plan with performance being monitored by the Coalition. The Coalition has released two annual reports for the Action Plan, which record progress against the outcomes for the first two financial years of the four-year Action Plan, that is, 2010–11 and 2011–12.

The first annual report for the Action Plan included figures for September 2010, wherever data was available. We considered the September 2010 figures as baselines for the indicators, because the [Action Plan](#) was initiated in 2010–11.

⁸ *Annual Report 2010–11 for the Tasmanian Adult Literacy Action Plan*

⁹ *Annual Report 2011–12 for the Tasmanian Adult Literacy Action Plan*

The second annual report listed fourteen performance indicators. However, the fourteen included the six measures for which data will not be collected before 2012–13, namely:

- three newly created outcomes for which measures have yet to be defined
- the two previously unfunded actions (diversity training and plain English documents) due to begin in 2013¹⁰
- the measure being developed to assess changes in participants' confidence and self-esteem.

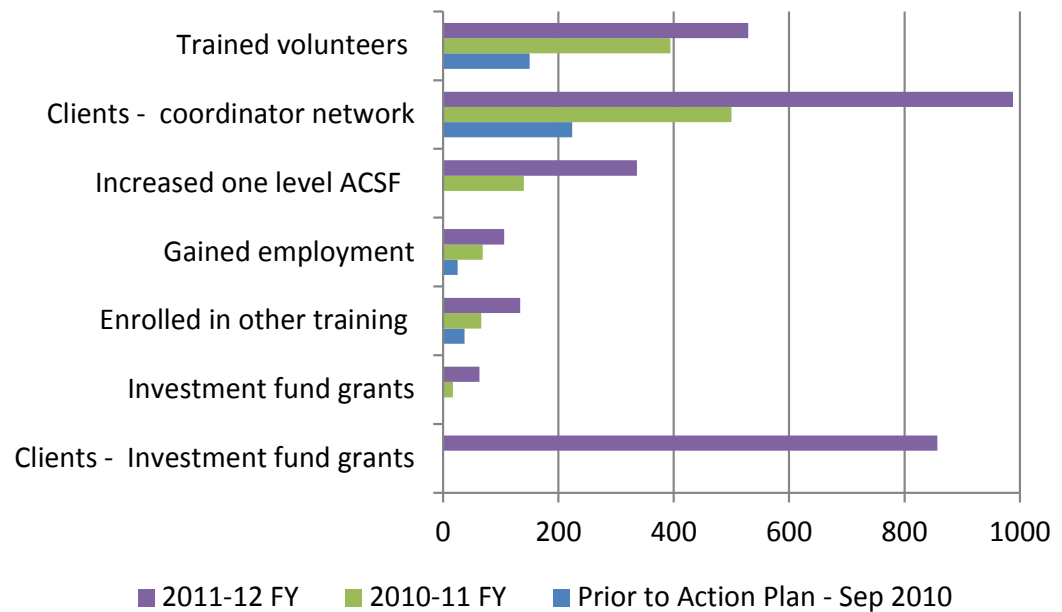
One of the fourteen indicators records literacy support provided to apprentices and trainees. As discussed in Section 1.4, we found the Tasmanian Skills Institute had delivered almost as many hours of literacy support to apprentices and trainees in just the first half of 2012 as were reported for all of 2011. However, due in part to non-alignment of the financial and calendar year reporting periods, the increase was not reflected in the 202 participants recorded as apprentices and trainees receiving literacy support in the 2012 Annual Report for the Action Plan.

Figure 1 illustrates progress against the remaining indicators.

We concluded that Skills Tasmania and LINC Tasmania have provided annual reports to the Coalition on performance to date against the indicators for the Action Plan. That performance has included revising the measures, creating new measures and performance to date against six of the fourteen indicators. Reports against the remaining measures are due to begin in 2012–13.

¹⁰ Action 1.5 diversity training, discussed in Section 1.6 of this report and Action 1.7 'Promotion of plain language', discussed in Section 1.8 of this report.

Figure 1: Performance reporting in the Action Plan



Source: Tasmanian Audit Office

3.4 Do the indicators show increasing numbers of adults are receiving literacy support?

Progress against indicators reported by Skills Tasmania and LINC Tasmania are shown in Figure 1.

First, in regards to LINC Tasmania, the number of trained volunteers working with the coordinators to deliver literacy support through the coordinator network increased from 150 in 2010 to 529 in 2011–12. The LINC Tasmania network provided literacy support to 988 clients in 2011–12, an increase from 224 in 2010. Of these:

- 243 (25 per cent) increased at least one level of the Australian Core Skills Framework¹¹
- 134 (14 per cent) commenced further education or training
- 31 (3 per cent) took up volunteer or unpaid work
- 106 (11 per cent) commenced paid employment within three months of completing literacy support programs.

¹¹ ACSF (in Figure 1) refers to the Australian Core Skills Framework which is the nationally recognised standard for measuring literacy skills. The Australian Bureau of Statistics reported surveys undertaken in 2006 revealed 40 per cent of employed and 60 per cent of unemployed Australians had poor or very English language, literacy and numeracy skills (i.e. Level 1 or 2). Level 3 is regarded as the minimum required to meet the complex demands of working effectively in a knowledge-based economy

Secondly, 857 clients participated in the 63 programs funded by the Adult Literacy Investment Fund in 2011–12.

Those 63 programs included 46 literacy skills development programs run by LINC Tasmania (providing literacy support to 439 of the 857 participants). Skills Tasmania administered the grants made to the remaining 17 programs (providing literacy support to the remaining 418 participants). Skills Tasmania also reported an increase from 39 to 47 practitioners registered as Adult Literacy Support Officers, who are the literacy workers qualified to deliver literacy support through those 17 programs.

Table 3 contains details of Skills Tasmania's achievements in adult literacy programs in 2011–12.

Table 3: Grants administered by Skills Tasmania in 2011–12

Program and no. delivered	No. of participants	Participants included...
Employer Pledge (6)	310	Employees in aged care, water management, disability and supported workplaces
Community Grant (11)	108	Young mothers, disengaged young people, people with mental illness and disabilities

Adult Literacy Support Officers reported 23 per cent of the 418 participants improved at least one level on the Australian Core Skills Framework in 2011–12.

We concluded that the indicators show increasing numbers of adults are receiving literacy support as a result of the Action Plan.

3.5 Conclusion

We concluded that Skills Tasmania and LINC Tasmania have established key indicators to measure improvements delivered by Action Plan initiatives.

To date, the indicators show that the Action Plan has achieved a level of community engagement. Similarly, the network of literacy support has expanded. There was also evidence of people continuing onto further training or gaining employment as a consequence of their attainments.

Independant auditor's conclusion

This independent conclusion is addressed to the President of the Legislative Council and to the Speaker of the House of Assembly.

Audit objective

The objective of this compliance audit was to ascertain whether Skills Tasmania and the Department of Education's LINC Tasmania have implemented the strategies identified in the *Tasmanian Adult Literacy Action Plan 2010-2015* (the Action Plan), including the establishment of meaningful performance indicators and reporting progress against them.

Audit Scope

Skills Tasmania and LINC Tasmania are jointly responsible for implementation of the Action Plan. This audit looked at progress-to-date undertaken by both entities since the start of the Action Plan, including administration of the Adult Literacy Investment Fund.

Responsibility of the Secretary of the Department of Education and of the General Manager, Skills Tasmania

The Secretary and General Manager are responsible for ensuring that the Action Plan is implemented. This includes the development of key indicators to measure improvements in adult literacy support and outcomes.

Auditor-General's responsibility

In the context of this compliance audit, my responsibility was to ascertain whether the responsible parties implemented the strategies identified in the Action Plan, including the establishment of meaningful performance indicators and reporting progress against them.

I conducted my audit in accordance with Australian Auditing Standard ASAE 3100 *Compliance engagements*, which required me to comply with relevant ethical requirements relating to audit engagements. I planned and performed the audit to obtain reasonable assurance whether the Department and Skills Tasmania had complied with the Action Plan to date.

The audit criteria that I applied targeted compliance with the Action Plan's three strategies by asking the following questions:

- Has an informal community and workplace network of adult literacy support been established?

- Has a state-wide team of coordinators and trained volunteers to drive the network of adult literacy support been established?
- Have key indicators been developed to measure improvements in adult literacy support and outcomes?

My work involved obtaining evidence based on

- interviews with relevant staff at Skills Tasmania and LINC Tasmania
- review of documentation from both entities.

In developing the scope of this audit and completing my work, the responsible parties provided me with all of the information that I requested. There was no effort by any party to the audit to limit the scope of my work. This Report is a public document and its use is not restricted in any way by me or by any other person or party.

I believe that the evidence I have obtained was sufficient and appropriate to provide a basis for my conclusion.

Auditor-General's conclusion

Based on the audit objective, scope and criteria and for the reasons outlined in this Report, it is my overall conclusion that:

- Sufficient work has been undertaken to satisfy five of the first seven actions listed in the Action Plan.
- Funding has been obtained to commence the remaining actions in 2013.
- LINC Tasmania has complied with the Action Plan requirement to extend the Adult Literacy Coordinator Network.
- Skills Tasmania and LINC Tasmania have established key indicators to measure improvements delivered by Action Plan initiatives.
- Indicators show that the Action Plan has achieved a level of community engagement and the network of literacy support has expanded.
- There was evidence of people continuing onto further training or gaining employment as a consequence of their attainments.

This Report contains one recommendation which is forward looking in that it is aimed at the Department ensuring adequate funding is allocated to support actions in all similar future plans.

H M Blake

Auditor-General

20 December 2012

Recent reports

Tabled	No.	Title
Sep 2011	1 of 2011-12	Tourism Tasmania: is it effective?
Nov 2011	2 of 2011-12	Children in out of home care
Nov 2011	3 of 2011-12	Financial Statements: Volume 1 — Analysis of the Treasurer's Annual Financial Report 2010–11
Nov 2011	4 of 2011-12	Financial Statements: Volume 2 — Executive and Legislature, Government Departments and other General Government Sector entities 2010–11
Nov 2011	5 of 2011-12	Financial Statements: Volume 3 — Government Business Enterprises, State Owned Companies, Water Corporations and Superannuation Funds 2010–11
Dec 2011	6 of 2011-12	Financial Statements: Volume 4 Part I — Local Government Authorities 2010–11
Mar 2012	7 of 2011-12	Financial Statements: Volume 5 — Other State Entities 30 June 2011 and 31 December 2010
Jun 2012	8 of 2011-12	The assessment of land-use planning applications
Jun 2012	9 of 2011-12	Financial Statements: Volume 6 — Other State Entities 30 June 2011 and 31 December 2011
Jun 2012	10 of 2011-12	Public Trustee: Management of minor trusts
Jun 2012	11 of 2011-12	Updating the Motor Registry System
Jun 2012	12 of 2011-12	Follow up of special Reports 75–81
Jul 2012	1 of 2012-13	Sale of TOTE Tasmania
Oct 2012	2 of 2012-13	Tasports: benefits of amalgamation
Nov 2012	3 of 2012-13	Financial Statements: Volume 3 — Government Business Enterprises, State Owned Companies and Water Corporations 2011–12
Nov 2012	4 of 2012-13	Financial Statements: Volume 4 Parts I & 2 — Local Government Authorities 2011–12
Nov 2012	5 of 2012-13	Financial Statements: Volume 1 — Analysis of the Treasurer's Annual Financial Report 2011–12
Nov 2012	6 of 2012-13	Financial Statements: Volume 2 — Executive and Legislature, Government Departments, other General Government Sector State entities, other State entities and Superannuation Funds 2011–12

Current projects

Performance and compliance audits that the Auditor-General is currently conducting:

Title	Subject
Managing hospital bed demand	Assesses the effectiveness of the Department of Health and Human Services' efforts to manage the demand for hospital beds through alternatives to hospital treatment.
National Partnership Agreement on Homelessness	Examines whether the state is effectively and efficiently meeting its obligations under the National Partnership Agreement on Homelessness. The audit will be done concurrently with other jurisdictions.
Fraud control in local government	Assess whether key aspects of fraud management strategies in Local Government enable councils to effectively prevent, detect and respond to fraud. Assesses whether local government Councils' fraud management strategies are effective to prevent, detect and respond to fraud.
Royal Derwent Hospital site sale audit	In relation to the sale of the former Royal Derwent Hospital site, the performance audit focuses on whether the: <ul data-bbox="475 972 1374 1120" style="list-style-type: none">• objectives of the Expression of Interest were achieved• sale proceeds were reasonable• purchaser was held to account to deliver on the terms of the sale agreement.

Audit Mandate and Standards Applied

MANDATE

Section 23 of the *Audit Act 2008* states that the Auditor-General may at any time carry out an examination or investigation for one or more of the following purposes:

- "(a) Examine the accounting and financial management information systems of the Treasurer, a statement or subsidiary of a State entity to determine their effectiveness in achieving or monitoring program results;
- (b) Investigating any matter to the account 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;"

The conduct of such audits is often referred to as compliance auditing.

- "(e) Examining the efficiency, effectiveness and economy with which a related entity of a State entity performs functions -
 - i) on behalf of the State entity;
 - ii) partnership or jointly with the State entity; or
 - iii) as the delegate or agent of the State entity."

The conduct of such audits is often referred to as performance auditing.

STANDARDS APPLIED

This audit was performed in accordance with Standard on Assurance Engagements ASAE 3500, 'Performance Engagements', which states that:

'The objective of a performance engagement is to enable the assurance practitioner to express a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party by reporting on assertions, or information obtained directly, concerning the economy, efficiency or effectiveness of an activity against identified criteria.'

The audit included such tests and other procedures considered necessary in the circumstances.



Photo supplied by Tasmanian Audit Office

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