

Follow up of Management of Staff Occupational Health and Safety in Schools

Tabled 5 August 2015

The Auditor-General provides assurance to Parliament on the accountability and performance of the Victorian Public Sector. The Auditor-General conducts financial audits and performance audits, and reports on the results of these audits to Parliament.

On 5 August 2015, the Auditor-General tabled his performance audit report, *Follow-up of Management of Staff Occupational Health and Safety in Schools*.

Follow-up audits

Phase two of VAGO's follow-up program:

- Verifying self-reported progress implementing recommendations.
- Detailed follow-ups to provide further information about improvements.

Key areas examined:

- Agencies acted to implement recommendations
- Actions addressed underlying issues
- Audit committees assessed actions for impact

This report is part of the second phase of VAGO's follow-up program.

The first phase involved all agencies audited in 2012–13 self-attesting to their progress in implementing recommendations.

In this second phase we selected three audits, based on an assessment of risk and materiality, for detailed follow-up, to verify the information the agencies reported.

The aim was to provide further information to Parliament and the community about improvements that agencies may have made since the initial audit.

We assessed three things:

- First, that agencies had acted to implement the recommendations that they'd agreed to.
- Second, that the actions they undertook addressed the underlying issues that led to the recommendation being made.
- And third, that agency audit committees were assessing the actions for impact, as they are required to do.

Background

- Schools not held to account for occupational health and safety (OHS).
- Missed opportunities to learn from other sectors.
- Weaknesses in WorkSafe program evaluations.
- Nine recommendations made.

Our May 2013, audit *Management of Staff Occupational Health and Safety in Schools*, examined whether schools had managed occupational health and safety, or OHS risks to their staff, and whether sufficient guidance, support and oversight had been provided to schools by the former Department of Education and Early Childhood Development, now the Department of Education and Training, or DET.

The audit also examined WorkSafe's involvement and impact on improving OHS in schools.

The 2013 audit found that DET was not holding schools to account for their OHS performance, and had missed opportunities to learn from other sectors. There was also a lack of evaluations to enable WorkSafe to understand how effective its programs had been.

The audit made nine recommendations, six aimed at DET, two at WorkSafe, and one joint recommendation encouraging re-engagement between the two agencies.

Overview of this audit

Audit scope

- Department of Education and Training (DET)
- WorkSafe

We found:

- DET and Worksafe have addressed recommendations
- both agencies lack frameworks to review the impact of actions to resolve issues.

This audit involved DET and WorkSafe and assessed all nine recommendations.

Both agencies had taken, or are currently taking, action to address all their recommendations. Both agencies had an organisational approach to monitoring management's progress in addressing recommendations through their audit committees. However, there were no frameworks in place or evidence of audit committees reviewing whether management actions had had their intended impact and resolved the identified issues.

Workers compensation trends

- DET has improved its activities around insurance claims and costs.
- Return to work performance has improved since 2011.
- New premium model investigated to improve OHS performance.

Improvements to OHS performance are evident across a range of indicators.

The 2013 audit found that non-government schools were consistently outperforming government schools in claims and return to work performance. However, DET had not done anything to understand or address this.

DET has identified and addressed deficiencies in its claims management and return to work processes and now benchmarks its claims data.

DET has monitored and analysed the major additional costs associated with standard claims in schools and workers' compensation performance.

DET is now performing better than non-government schools and the Victorian workers' compensation scheme in returning injured employees back to work.

The 2013 audit also found that DET's model for allocating insurance premiums did not act as an incentive for schools to improve their OHS performance. DET appointed consultants in May 2014 to investigate and develop an alternative model that encourages schools to improve their return to work and claims management performance.

OHS compliance

- Increased training is being provided.
- Programs developed to improve OHS compliance.

New training and programs should improve compliance.

The 2013 audit concluded that while DET's OHS management system was robust and assisted schools to meet their OHS requirements, compliance with the system was low. DET did not hold schools to account for poor performance, despite policy requirements to intervene and target underperforming schools.

Since December 2013, DET has rolled out 13 online eLearning modules and has piloted two programs to improve schools' compliance with the OHS management system.

DET is also developing an OHS accountability framework. It is currently identifying ways to integrate OHS into school performance criteria.

WorkSafe activities

- Improved frameworks to understand program effectiveness.
- Improved engagement between DET and WorkSafe.

WorkSafe has improved its evaluation-related activities.

The 2013 audit found that WorkSafe had not comprehensively evaluated its projects targeting OHS in schools and was unable to demonstrate their effectiveness.

Rather than evaluate individual programs, WorkSafe has developed a whole-of-organisation strategy. It has allocated 30 per cent of its total 2014–15 research budget to evaluation work, and has started two evaluations of OHS programs.

The 2013 audit also found that WorkSafe had not directly engaged with DET since October 2011, even though DET is the largest employer in Victoria. There were missed opportunities for WorkSafe and DET to work together.

WorkSafe and DET have re-engaged at several levels. Both agencies have been active in working together to identify opportunities for data sharing, and staff from each agency are also members of the other's working groups and committees.

Audit committee oversight

- Audit committees required to review recommendations for impact.
- Agencies report to their audit committees on progress.
- Audit committees not reviewing the impact of actions.

Agencies need to develop frameworks to support audit committees to assess impact.

Audit committees play a key role in the follow-up process. Under the Minister for Finance's standing directions, audit committees are required to monitor the implementation of recommendations. This includes reviewing the impact of actions undertaken.

While DET and WorkSafe did monitor progress in addressing audit recommendations through their audit committees, there were no frameworks in place or evidence of audit committees consistently reviewing whether management actions had had their intended impact, and resolved the identified issues.

As a consequence, audit committees cannot hold management to account, or assure themselves that actions taken in response to recommendations were effective in addressing the underlying issues.

Key messages

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Improvements to OHS performance are evident across a range of indicators.

New training and programs should improve compliance.

WorkSafe has improved its evaluation-related activities.

Agencies need to develop frameworks to support audit committees to assess impact.

The key messages of this audit are that improvements to OHS performance are evident across a range of indicators. New training and programs should improve compliance and WorkSafe has improved its evaluation activities. However, agencies need to develop frameworks to support audit committees to assess the impact of recommendations.

Overall message

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Both DET and WorkSafe have made good progress in addressing the recommendations and improving OHS outcomes.

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Contact details

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For further information on this presentation please contact:

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