

AUDITOR-GENERAL'S REPORT

PERFORMANCE AUDIT

Educating Primary School Students with Disabilities Department of Education and Training



The Legislative Assembly
Parliament House
SYDNEY NSW 2000

The Legislative Council
Parliament House
SYDNEY NSW 2000

In accordance with section 38E of the *Public Finance and Audit Act 1983*, I present a report titled **Educating Primary School Students with Disabilities: Department of Education and Training.**

A handwritten signature in black ink, appearing to read 'R J Sendt'.

R J Sendt
Auditor-General

Sydney
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Foreword

The United Nations' Convention on the Rights of the Child is the most widely accepted human rights accord in history.

Article 23 of the Convention states that any child with a disability should have access to, and receive, an education in a manner conducive to achieving the fullest possible social integration and individual development.

How well we do this is a measure of our society.

This audit examines how well the NSW Department of Education and Training provides special education services to students with moderate and severe levels of disabilities in government primary schools.

We wanted to find out if the Department, in helping these particular children:

- meets the demand for special education
- provides services that meet their individual needs
- knows how successful its special education programs are.

This report builds on our audit work over the last few years on educational programs in New South Wales. I believe it will add to our community's understanding of how well we, as a society, meet our obligations to children with disabilities.

Bob Sendt
Auditor-General

September 2006

Executive summary

The focus of our audit

Since 1980, the Department of Education and Training has adopted a policy of 'inclusion'. Inclusion gives students with disabilities the right to attend the neighbourhood school where this is possible, practicable and in their best interests. Special education programs support these students in regular and special classes. The department also provides special schools for students where attendance at neighbourhood schools is not appropriate.

Parents and carers can enrol their child in a regular class in the local school or in a special class where they and the department consider this best meets the student's needs and a place is available.

In 2004, the NSW Government announced its special education initiative to provide more money and support to students with disabilities. This initiative includes an examination of special education programs to ensure they are delivering the best results for students and an additional \$15.6 million to employ a teacher's aide for every special class from 2007 onwards.

The department estimates there are around 35,000 students (primary and secondary) with some form of confirmed disability. This audit examines special education programs for around 10,000 of these students in primary schools assessed as having moderate or severe levels of intellectual disability, physical disability, hearing or vision impairment, autism or mental health problems enrolled in a regular class or a special class.

We wanted to find out whether the department, in helping these particular students:

- meets the demand for special education
- provides services that meet individual needs
- knows if its special education programs are successful.

Audit opinion

Teachers, principals and schools need to adapt to meet the needs of students with disabilities. Inclusion creates significant challenges for the school community; some schools are old and need to have buildings modified, principals need to assess and manage any risks to the child, staff or other pupils and teachers may need to change the way they teach.

Special education programs so far have been able to support schools to accommodate these students and as a result, we have an inclusive education system. Our concern is that as the number of students with disabilities increases, pressure will be placed on both funding and the capacity of schools to provide quality services.

In particular, the system around special classes can be inflexible and slow to respond. Parents or carers in collaboration with the department may decide a special class would be best for the student, but this request may not be met if there is not a special class nearby or any vacancies in a special class.

The Government's special education initiative is a positive step towards addressing these problems. Nevertheless, other changes need to be made to improve services to meet the needs of individual students. For example, the department needs to develop a common assessment tool to capture the additional support needs of students with disabilities on enrolment and improve accountability for services and results after enrolment.

International studies show that enrolment in a regular school is the most beneficial educational setting for students with disabilities. What is not so clear in the NSW system are the relative merits of enrolment in a regular class versus enrolment in a special class.

This information would help parents and carers make a more informed choice about where their child is best placed.

Today, more students with severe or moderate levels of disability are enrolled in a regular class rather than a special class. The department needs to know if this reflects parent or carer choice. Such information is essential in developing and planning services for the future.

Recommendations

In regard to the special education services covered by this audit, we recommend that the department:

- | | |
|------------------------------------|---|
| Monitor demand for services | <ul style="list-style-type: none">▪ as part of its new special education information system, collect data on demand for special education services including special classes, and use this data to plan services at a school, region and state level (page 21) |
| Review service models | <ul style="list-style-type: none">▪ by 2008, change the way special classes are organised from disability type to classes based around the support and educational needs of students (page 23)▪ introduce guidelines for the review of special classes in metropolitan and rural regions linked to regional planning (page 24)▪ establish an enrolment threshold to trigger a review of special classes in line with the new special class structures (page 24) |
| Improve services | <ul style="list-style-type: none">▪ introduce by 2008 a common assessment tool to capture the additional support needs of students with disabilities on enrolment (page 19)▪ establish service standards (timeframes and targets) for completing student assessments and placements (page 27) |

- develop minimum standards for personalised learning plans for students with disabilities in regular and special classes and use the results of these to guide service planning (page 28)
 - establish a consistent approach to the operation and professional development of learning support teams (page 30)
 - establish minimum standards for annual student reviews including assessing teacher training needs and documenting outcomes (page 30)
- Monitor and review services**
- develop a suite of performance indicators to monitor these programs at a school, region and state level (page 35)
 - encourage regions to review aspects of their special education services in primary schools (page 35)
- Improve accountability for resources**
- include specific special education performance indicators and targets in the performance agreements of regional directors and school educational directors (page 35)
 - examine achievements in special education through the school's use of resources and outcomes as part of the primary Principals' Annual Review (page 35)
- Improve reporting**
- report on special education results at a school, regional and state level (page 35)
- Obtain and use feedback to improve services**
- encourage schools to obtain feedback from students, parents and carers on the quality of special education programs as part of the annual student review (page 36)
 - obtain feedback from teachers and principals on the quality of special education programs and use this to improve planning and service delivery (page 36).

Key audit findings

Chapter 1 What is special education?

Special education programs are about providing students with disabilities access to the Board of Studies curriculum. These programs include physical adjustments to a school, curriculum adjustments and special support to students with disabilities to facilitate learning and help them participate in school life.

More recently, the Commonwealth Government has taken an active role in setting a national agenda for education including special education. The department reports it has, and will continue to respond to the national agenda within the context of service delivery to students with disabilities in NSW.

Chapter 2 Does the department meet the demand for services?

In responding to changes in demand, the system can be inflexible around special classes and slow to respond. Students with disabilities are able to attend their local school. Parents or carers can also elect in collaboration with the department, to enrol their child in a special class. However, this request may not be met for a variety of reasons.

Some regions collect data on demand for services but some do not.

Schools use a consistent and reliable approach to test a student's eligibility for special education programs. The parents or carers can then elect whether the child should attend a regular class or a special class. A further assessment of need is undertaken for students enrolling in regular classes to judge the level of support required. Children enrolling in special classes do not have this particular assessment. It would be better if assessments were consistent irrespective of the class type to ensure student support needs are met.

The department faces a number of significant challenges with increasing demands for services and problems with service delivery, particularly in rural areas.

Some special classes have low enrolments but continue to operate. The structure of special classes is part of the problem. Each special class is generally restricted to students with the same, particular disability. For example, a student with autism is generally not placed in a special class for students with intellectual disabilities or mental health problems even if their learning and support needs are similar and a vacancy exists.

Chapter 3
Does the department
provide services that
meet the needs of
students?

A student is likely to benefit from prompt assessment and placement in a class. The department does not set timeframes for completing assessments and advising parents or carers of decisions.

Some assessment decisions can take several months to finalise. Delays can occur for a variety of reasons including difficulty accessing a specialist to complete the assessment, a preferred placement not being available or a parent or carer not accepting the place on offer. Some delays are legitimate and beyond the control of the department. This is an area that the Government's special education initiative is examining.

Student personalised learning plans should be developed after students are enrolled. Special class teachers prepare plans for their students, but not all students with disabilities in regular classes have these plans. The quality of plans also varies.

The achievements of students with disabilities need to be monitored and used to improve teaching and learning methods. We found variation between schools in how well the outcomes and achievements were documented. Where documentation was poor, we found it difficult to judge what changes resulted from the annual student review.

However, we observed in the schools we visited that principals, teachers and teacher's aides had responded positively to the challenges of educating students with disabilities and were committed to providing an inclusive environment where these students could achieve their potential.

Chapter 4
Are special education services successful?

Special education services are costly. In our view, due to the large sums involved, greater accountability is required both in terms of assessing needs and the use of resources to meet those needs.

It is difficult to judge if special education services are improving learning outcomes for students with disabilities as a group, although the progress of each student is monitored by the school. The current Disability Action Plan (2004-2006) specifies performance measures but these measures do not provide sufficient information to monitor, manage and review special education programs.

Since 2005, the department has been implementing changes to special education programs to improve services to students with disabilities. Reforms include monitoring the educational outcomes of students with a disability on the same basis as other students, that is, statewide testing of basic skills.

A range of mechanisms exists to obtain feedback from peak bodies. However, no formal feedback is obtained from students, parents or carers on the quality of special education services. Only limited feedback is sought from principals and teachers.

Response from the Department of Education and Training

I refer to your letter dated 11 August 2006, regarding the Final Report, Auditor General's Report, Special Education Performance Audit, Educating primary school students with disabilities and thank you for the invitation to comment on this report.

Whilst the report discusses departmental variations in the quality and availability of specific information about services across different educational settings on special education, the Department of Education and Training is pleased to note the report's focus. It highlights opportunities for the Department to further improve systems for managing and reporting on quality service delivery in special education.

New South Wales public schools provide inclusive educational provisions within the context of regular and special classes. In recent years much work has been done to develop and implement a K-12 curriculum and system that is inclusive of all learners.

It is encouraging that the report acknowledges the positive impact of the Government's Special Education Initiative, 2005-2007, and the important role it has in progressing a systemic refocusing of the way special education is conducted in public schools across New South Wales to meet the diversity of its students.

The report recognises this important work and provides valuable guidance on future directions and further developments. The development and use of quality performance indicators will be specifically important in this respect.

The report's recommendations generally complement with the five themes of the Government's Special Education Initiative. These are:

- 1. Doing things differently to meet the challenge of diversity through effective service delivery models*
- 2. Addressing the specific support needs of students with special needs using needs based assessment*
- 3. Meeting the challenges of personalised learning*
- 4. Building the capacity of the workforce to respond to the challenge of diversity in the classroom*
- 5. Strengthening our relationships across Government to better provide for students with special needs*

The Department has commenced developing through the Special Education Initiative a revision of its assessment processes for students with disabilities. This work is focused on identifying ways to assess the support needs of students rather than relying on a categorical assessment of disability. The timeframe for this recommendation suggested in this report is realistic.

The recommendations to revise and improve the annual student review process are timely as they fit closely with the Department's current work to strengthen processes for personalised learning for students with disabilities.

The Department operates its special education provisions within a large and complex environment which is shaped by varying internal and external factors. This includes the Commonwealth and State legislative requirements, in particular the Commonwealth's Standards for Education (2005) that underpin the Disability Discrimination Act (1992).

The Department values highly the partnership parents and communities have with their schools in the delivery of quality schooling across the K-12 continuum. The NSW public school system is very proud of its dedicated workforce of teachers and support staff who have worked closely with their school communities over many years to support students with disabilities.

The Department acknowledges and sincerely thanks the staff of the Audit Office for their professional, collaborative and supportive approach in the conduct of this audit.

(signed)

*Andrew Cappie-Wood
Director-General of Education and Training*

Dated: 25 August 2006

1. What is special education?

1.1 What is special education?

Special education programs are about providing students with disabilities access to the Board of Studies curriculum. These programs include physical adjustments to a school, curriculum adjustments and providing special support to students with disabilities to facilitate learning and help them participate in school life.

Until the late 1950s there was little government involvement in the education of children with disabilities. These children either had no education at all or attended schools provided by voluntary organisations.

In 1957, the Wyndham Report recommended the establishment of special schools. Special schools were gradually established by the Department of Education and Training.

Now under both State and Commonwealth disability legislation, it is unlawful to:

- refuse a student admission into a school on the grounds of disability
- fail to adjust the curriculum to suit students with disabilities.

It is also compulsory for all children between the ages of six and 15 to be enrolled in a school and attend on a regular basis.

Since 1980 policies have focussed on inclusion

In 1980, the department supported parents and carers to be involved in deciding the best educational environment for their child. Since then, special education policies have focussed on inclusion; that is the right of students with disabilities, learning difficulties or behaviour disorders to attend the regular neighbourhood school where this is possible and practicable and in the best interests of the student.

Around 35,000 students with a confirmed disability are enrolled in NSW public schools (primary, secondary and special schools).

Different service models are provided to best suit individual needs

Special education services in New South Wales provide:

- a flexible range of services (regular classes, special classes in regular schools and special schools) to allow education choices which cater for the needs of each student
- programs which focus on early intervention
- assessments of student needs
- opportunities for the active participation of parents and carers in their child's education.

The department reports that over 13,000 students with confirmed disabilities were enrolled in either a regular class or a special class in a regular primary school in 2005. Around 10,000 of these students have a moderate or severe level of disability and are the focus of this audit. The remaining 3,000 have mild levels of intellectual disability or have language disorders.

Exhibit 1: Types of disabilities	
Disability	Assessment criteria
Sensory impairment	Student unable to meet specific benchmarks on formal hearing or vision test.
Physical	Identified physical dysfunction supported by specialist medical report. Disability can be rated as moderate or severe.
Intellectual	Unable to meet specific benchmarks on an accepted intelligence test administered by a trained counsellor. Disability can be rated as mild, moderate or severe.
Mental health problems	Students exhibiting behaviours characteristic of mental health problems that impact on educational functioning and emotional wellbeing. Diagnosis supported by medical or psychological report.
Autism	Diagnosis supported by medical or psychological report. Condition affecting communication and social interaction.
Language	Significant impairment in understanding and use of language.

Source: Department of Education and Training 2001.

Note: Behavioural disorder is not classified as a disability although funding is received as part of special education programs. Details of the criteria used by the department to assess eligibility are listed in Appendix 3.

1.2 The Government's special education initiative

More recently, the Commonwealth Government has taken an active role in setting a national agenda for education including special education. The department reports it has, and will continue to respond to the national agenda within the context of service delivery to students with disabilities in NSW.

In 2004, the NSW Government announced an initiative to provide more money and support to students with physical, intellectual and emotional disabilities. This initiative includes an examination of special education programs to ensure they are delivering the best results for students and an additional \$15.6 million to employ a teacher's aide for every special class from 2007 onwards.

An advisory group including all major stakeholders has been established to:

- examine options for a better system of assessment and confirmation of student's needs
- develop staffing protocols for special education that complement the assessment and confirmation process
- develop a plan for progressive implementation of the initiative.

Changes to special education are being considered under five areas:

- doing things differently to meet the diverse range of needs of students now in NSW public schools
- considering new ways to assess students with special needs that focus on their learning
- building the capacity of teachers and teacher's aides to assist them to work with a range of students
- develop a more effective way of measuring whether these programs make a difference for students
- strengthening the department's relationship with other agencies to provide better for students with special needs.

1.3 Types of special education programs

There are three enrolment options for students with moderate and severe disabilities attending primary schools: enrolment in a regular class with funding assistance, enrolment in a special class in a regular school or enrolment in a special school.

Funding assistance is provided to the school for students enrolled in regular classes

Funding assistance for a student enrolled in a regular class is allocated to the school and may be used to provide:

- a support person (teacher's aide) who works with the child in the classroom or playground
- professional development for the teacher to improve their skills in dealing with a specific disability
- relief teacher time to allow the regular teacher to plan programs, liaise with parents or visit other schools
- expertise from outside the school to assist and brief all staff and work with the Learning Support Team
- annual student reviews.

Funds to support students with moderate and severe disabilities in regular classes in primary schools were around \$45 million in 2006. Funds for students enrolled in regular classes are not capped and allocations to the school are based on the:

- needs of new students
- continuing or changed needs of existing students.

This can range from an average of around \$4,000 for a student with a mental health problem up to an average of around \$27,000 for a student with severe intellectual disabilities requiring full time support.

According to the department, around 95 per cent of funds are spent on employing teacher's aides.

Special classes are available in regular schools

Special classes are established in line with types of disabilities. Funding for schools with special classes forms part of their global allocation.

Detailed information on the cost of running special classes is not available. The department advises it is developing a new financial management system that would enable it to better identify the cost of special classes.

Exhibit 2: Adult to student ratios in special classes	
Type of Class	Adult: Student Ratios
Autism	2:7
Severe intellectual disability	2:6
Moderate intellectual disability	2:10
Physical disability	2:8
Hearing	2:9
Mental health	2:7

Source: Department of Education and Training 2006.

Note: There are no special classes to cater for students with vision impairment. These students attend a special school or receive specialist support in a regular classroom.

Funds are also available to support students who require additional assistance but do not meet the eligibility criteria. These funds are allocated and monitored on a case by case basis through regions.

Special schools

Special schools are also known as schools for specific purposes (SSPs). These schools provide programs for students who require intensive levels of support. Special schools provide a specialised educational setting for students from four years of age to year 12.

The department reports that there are 107 special schools in NSW with over 4,000 students enrolled.

1.4 The scope of the audit

This audit examines special education services in government primary schools for children assessed as having moderate or severe levels of disability.

In order to test how the system responds to students with disabilities, we limited the scope to this high risk group, that is, students with high support needs entering mainstream schools for the first time.

We have not examined services in special schools, high schools or programs targeted to assist students with mild learning difficulties or behavioural problems (see also appendix 1).

2. Does the department meet the demand
for services?

At a glance

The key question we wanted to answer was:

Does the Department of Education and Training provide the right amount and right type of special education services where they are needed?

Our assessment:

In responding to changes in demand, the system can be inflexible around special classes and slow to respond. Students with disabilities are able to attend their local school. Parents and carers in collaboration with the department can also elect to enrol their child in a special class, but this request may not be met for a variety of reasons.

Some regions collect data on demand for services but some do not.

Schools use a consistent and reliable approach to test a student's eligibility for special education programs. The parents or carers can then elect whether the child should attend a regular class or a special class. A further assessment of need is undertaken for students enrolling in regular classes to judge the level of support required. Children enrolling in special classes do not have this particular assessment. It would be better if assessments were consistent irrespective of the class type to ensure student support needs are met.

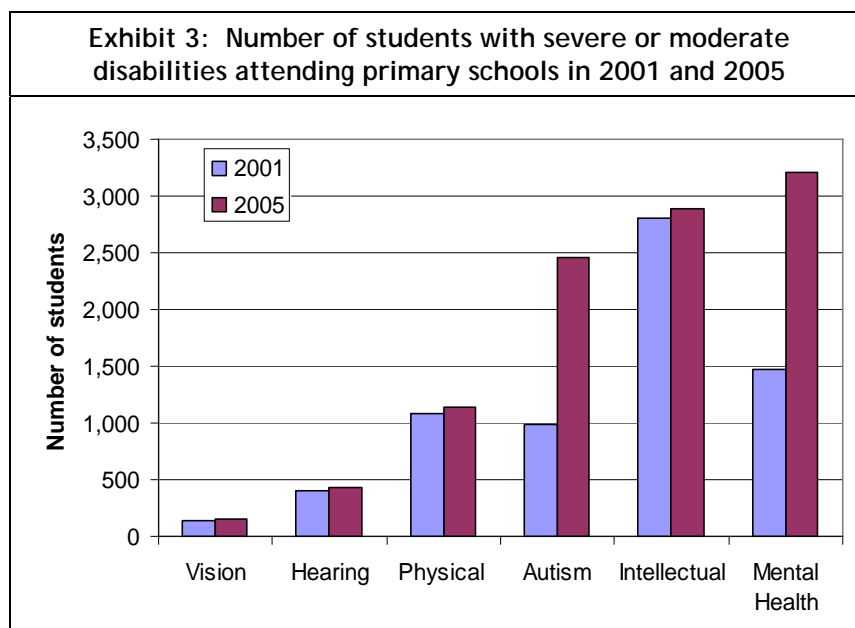
The department faces a number of significant challenges, with increasing demands for services and problems with service delivery particularly in rural areas.

Some special classes have low enrolments but continue to operate. The structure of special classes is part of the problem. Each special class is generally restricted to students with the same disability. For example, a student with autism is generally not placed in a special class for students with intellectual disabilities or mental health problems even if their learning and support needs are similar and a vacancy exists.

2.1 Changes in demand for special education services

Over the last five years there has been around a 50 per cent increase (from 6,885 to 10,275) in the number of primary school children confirmed as having moderate or severe levels of disability.

Major increases have been in children diagnosed with autism or mental health problems while other disability types have remained stable. Better, more sensitive diagnostic tools for autism and mental health problems and an increase prevalence of these disabilities in the population are the main reasons for this growth. Other states have reported similar trends.



Source: Department of Education and Training 2006.

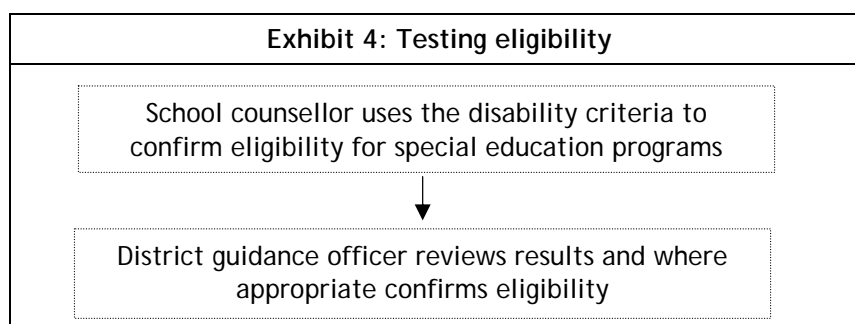
2.2 Does the department have criteria to test eligibility?

Our assessment

Schools use a consistent and reliable approach to test a student's eligibility for special education programs. However, once a parent or carer elects to enrol the student in either a regular class or a special class, the school uses a different means to assess the student's support needs depending on the type of class.

A consistent approach is used to test eligibility

The department has implemented a consistent approach for testing a student's eligibility for assistance, that is, to confirm a disability exists.



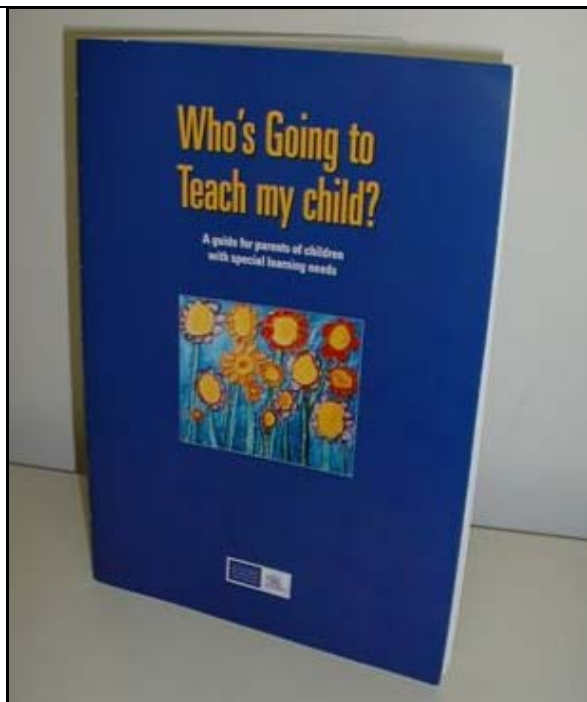
Source: Audit Office research.

The department provides parents and carers information on the options available, that is enrolment in either a:

- regular class with additional support
- special class in a regular school
- a special school (which was outside our audit scope).

Exhibit 5: Information to parents and carers on enrolment options

The department has published a booklet, 'Who's Going to Teach my child' to help parents and carers of children with disabilities understand the process for establishing educational needs and the learning options available to them.



Source: Department of Education and Training 2006.

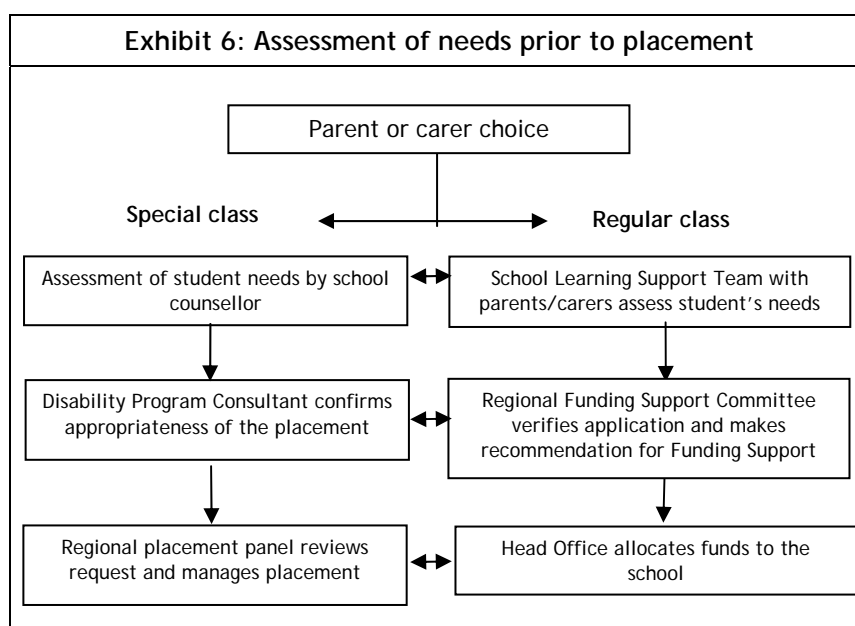
Whether a child with disabilities is enrolled in a special class or a regular class is largely up to the parents or carers.

If a parent or carer elects to enrol their child with disabilities in a regular class, the school's learning support team in collaboration with the parents or carers, undertakes an appraisal of the child's needs. If through this process, the child's needs can be met in a regular class, enrolment proceeds.

If the above process identifies that the types of support or the specialist nature of the support goes beyond what can be provided in a regular classroom, the principal will discuss this with the parent or carer so that they can work together to identify other possible services.

For all practical purposes, however, the parent can still elect to enrol their child in a regular class in the neighbourhood school.

If a parent or carer elects to enrol their child in a special class, the school in collaboration with parents or carers prepares an application to the region's placement panel. This panel manages enrolments in special schools and special classes in the region.



Source: Audit Office research.

According to the department, at any point in the above process, parents or carers can, and do, elect alternate placements for their children.

A further assessment of need is undertaken for students enrolling in regular classes to judge the level of support required. Children enrolling in special classes do not have this particular assessment, so students with the same type of disability but different needs may receive the same level of support. For example, two students with physical disabilities and different support needs would be recognised when enrolling in a regular class but not in a special class. The risk is that the specific support needs of a student may not be met.

The department agrees that a consistent process is needed to capture the educational needs of students on enrolment irrespective of whether they are to be enrolled in a special class or a regular class.

Recommendation We recommended that the department introduce by 2008 a common assessment tool to capture the additional support needs of students with disabilities on enrolment.

2.3 Does the department monitor demand for services?

Our assessment Early intervention programs help the department and regions identify demand for special education programs and plan services.

Only one of the regions we visited collected data on demand for special classes.

Schools can identify children with disabilities prior to enrolment



Early intervention programs identify children with disabilities from the point of diagnosis or through prior-to-school services such as long day care centres or pre-schools.

Exhibit 7: Early identification - advantages for the student and the school

Cammeray Public School has a practice of contacting all pre-schools in its local neighbourhood to identify potential students with disabilities who plan to enrol the following year.

This practice identified a child in a pre-school with Down syndrome whose parents intended sending the child to Cammeray Public.

The school sent the teacher who would be teaching the child and the disability program consultant to the pre-school to observe the child's social interactions and learning capabilities. The school held several meetings to make sure that all relevant information was passed on.

The school also:

- prepared photos of the classroom, the teacher and the teacher's aide so that the child would be familiar with them
- brought the child into the school on several occasions in the year prior to joining full time
- prepared learning materials prior to enrolment
- reduced the number of students in the child's class to ensure the child and other classmates gained sufficient teacher access.

Source: Audit Office research.

In the schools we visited, data from early intervention programs was used to plan services.

The department maintains data on students enrolled in regular classes but not students in special classes

The department maintains data on students receiving funding support. Data on students with disabilities in special classes is maintained in various computerised and manual systems by regions.

This gives rise to problems such as:

- identifying available places in special classes
- the reliability of data about demand for, and the availability of, places in special classes.

The department has recognised these problems and is developing a statewide information system to:

- manage the placement of students in special classes
- support regional and statewide planning for special classes
- accurately measure and report on the total level of special education support to individual students and schools.

Only one region we visited monitored demand

Only one of the regions we visited maintained data on demand, in this case, students seeking placement in a special class.



Exhibit 8: Collecting data on special classes

Western Sydney Region has set up a database to assist it in:

- placing children whose parents or carers in collaboration with the school, elect to enrol the child in a special class
- deciding whether to continue, open, discontinue or relocate a special class.

The database includes information on:

- class locations, enrolments and capacities
- the number of applications, the number who were accommodated, and who missed out
- student addresses to enable the region to judge if a special class is suitably located.

The region can generate data on demand and identify where class vacancies exist.

Source: Audit Office research.

Recommendation

We recommend that the department, as part of its new special education information system, collect data on demand for special education services including special classes, and use this data to plan services at a school, region and state level.

2.4 Does the department provide services that match demand?

Our assessment

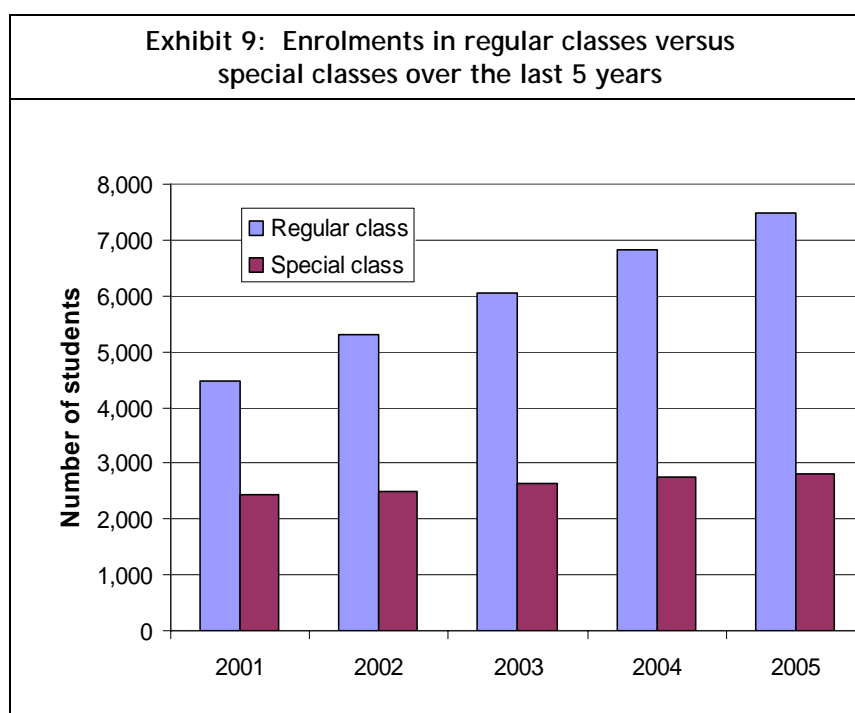
The department has increased spending on special education programs and established additional special classes in response to increased demand but there remains inflexibility around special classes.

The structure of special classes is the problem. Enrolments are generally limited to students with a particular disability rather than placing students with similar learning needs in the same special class.

The department has responded to changes in demand

In NSW there are now 449 special classes in primary schools for students with moderate and severe levels of disability. From 2001 to 2005 the number of students in special classes increased by 369 or around 15 per cent to nearly 2,800.

Much of this is due to the rising number of students with autism and mental health problems thus placing increasing pressure on existing service models and highlighting problems with flexibility.



Source: Department of Education and Training 2006.

The majority of students with disabilities attend regular classes

Overall, the ratio of students with disabilities attending special classes compared to regular classes has decreased over the last four years. In 2001, around one in two students were enrolled in a special class. Now it is around one in three students.

The department does not have information on the reasons why parents and carers elect regular classes over special classes.

Special class structures limit the systems ability to respond to shifts in demand

Special classes are generally established according to the type of disability, for example, a special class will be established for students with autism only. Classes for students with intellectual disabilities are also based on severity.

Schools generally do not place students with different types of disabilities in the same special class.

Regular classes are more flexible

However, students with disabilities enrolled in regular classes may be sharing their class with other students who have a variety of disabilities, support and educational needs.

Other jurisdictions use different approaches to providing special education support. For example, in New Zealand, special education programs take a non-categorical approach to the support for children with disabilities. This means that classes are structured around the needs of students and the support required, rather than disability labels.

This approach is useful because classes are structured to meet common educational and social needs. It is also a more flexible model allowing broader student mix.

The department has recognised that the current structure of special classes is restrictive and is reviewing these as part of the Government's special education initiative.

Recommendation We recommend that the department, by 2008, change the way special classes are organised from disability type to classes based around the support and educational needs of students.

2.5 Does the department respond to gaps or over servicing?

Our assessment The department does respond to changes in demand but it can take some time.

There is a well established process in place to review enrolments and special class capacity. In 2005, regional offices identified special classes where enrolments had fallen and placed these classes on review.

For the special classes included in our scope, class size ranged from six for children with severe intellectual disability up to ten for children with a moderate intellectual disability - much lower than class sizes for general education.

Changes to special classes can take time Changes in special classes can take some time and some classes continue to operate where enrolments are low. In 2005 about 14 per cent of special classes operated at or below 50 per cent capacity (65 classes). Over 12 per cent of classes (55 classes) were operating at capacity and nearly three per cent (13 classes) were above capacity.

There are no common enrolment targets to judge when to review a special class There is no standard approach to help judge whether or not to place a special class on review.

In 2005, classes with low enrolments were placed on review. But how long these should remain on review and at what point a decision should be made about whether these classes should continue, discontinue or be relocated was left to the regions to decide.

There may be a need for different enrolment numbers to trigger a review depending on whether the special class operates in a metropolitan area (where a broader range of options are available to the child) or in a rural area where the distance between schools with special classes may prevent the student from being able to attend.

The department agrees there is a problem with special classes particularly in rural areas and is examining the structure of special classes as part of the Government's special education initiative. There are also opportunities to better link the special class review process to the development of regional plans.

Recommendation

We recommended that the department by 2008:

- introduce guidelines for the review of special classes in metropolitan and rural regions linked to regional planning
- establish an enrolment threshold to trigger a review of special classes in line with the new class structures.

3. Does the department provide services that meet the needs of students?

At a glance

The key question we wanted to answer was:

Does the Department of Education and Training provide special education services that meet the needs of students?

Our assessment:

A student with disabilities is likely to benefit from prompt assessment and placement in a class. The department does not have set timeframes for completing assessments and advising parents or carers of decisions.

Some assessment decisions can take several months to finalise. Delays can occur for a variety of reasons including difficulty accessing a specialist to complete the assessment, a preferred placement not being available or a parent or carer not accepting the place on offer. Some delays are legitimate and beyond the control of the department. The reasons for delays is an area that the Government's special education initiative is examining.

Student personalised learning plans should be developed after students with disabilities are enrolled. Special class teachers prepare plans for their students, but not all students with disabilities in regular classes have these plans. The quality of plans also varies.

The achievements of students with disabilities need to be monitored and used to improve teaching and learning methods. We found variation between schools in how well the outcomes and achievements were documented. Where documentation was poor, we found it difficult to judge what changes resulted from the annual student review.

3.1 Are students placed in an appropriate setting promptly?

Our assessment

A student with disabilities is likely to benefit from prompt assessment and placement in a class. The department does not have data on how long it takes from the time a student is confirmed as having a disability to the time they are placed in an appropriate setting. The department does not have set timeframes for any part of the process.

There are a number of reasons why delays occur

Delays can potentially arise in many ways, including:

- difficulty accessing specialists
- a preferred enrolment option not being available
- parent or carer not accepting the place on offer
- the need for the school to be modified.

Exhibit 10: Ramps allowing students with physical disabilities access to classrooms



Source: Department of Education and Training 2006.

Some delays are legitimate. For example, waiting for local council approval for building modifications could take several months. However, one of the regions we visited had reviewed the time taken to complete special class placements where no building modifications were necessary indicating that these could also take several months to finalise.

Recommendation We recommend that the department establish service standards (timeframes and targets) for completing student assessments and placements.

3.2 Are personalised learning plans prepared for students with disabilities?

Our assessment Some students with disabilities have personalised learning plans, but some do not. The quality of plans varies. The department does not require all teachers of students with disabilities to prepare plans, and has not set minimum standards for them.

Not all students with disabilities have personalised learning plans Special class teachers prepare personalised learning plans for their students, but not all students with disabilities in regular classes have these plans. The department does not know how many students with disabilities in regular classes have a personalised learning plan, and how many do not.

There is guidance on preparing plans, and some plans are good Various department documents offer guidance on preparing personalised learning plans.

Some plans we saw were very comprehensive and provided clear directions on key learning areas, goals, roles and responsibilities of staff involved with the student, how assessments will be conducted and the reporting process. Parents and carers were involved in preparing these plans and formally signed off their agreement to them.



Exhibit 11: Features of good personalised learning plans

We found many examples of good personalised learning plans.

For example, in one plan the student had a number of priority goals developed with parents and carers. These goals related to the key learning outcomes. For example, in English, the student needed to be able to identify buildings by their signs such as police station and wait for the walk sign at a pedestrian crossing.

The plan showed strong links between home and school to ensure the skills taught were practiced and applied consistently.

In another example, a plan for a child with an intellectual disability had a strong focus on the development of functional skills, such as following timetables, using a calendar to describe the day and date, and unstacking a dishwasher.

A teacher's aide may assist the class teacher to provide additional literacy and numeracy sessions for the student. The roles and responsibilities of the teacher's aide were often included in plans.

Source: Department of Education and Training; Audit Office research.

We found the quality of plans varies, and there are no minimum requirements

However, not all plans were of the same quality.

The department does not have minimum standards or requirements for student personalised learning plans, or adequate processes to assure plan quality and that plans are prepared in collaboration with parents or carers.

Recommendation

We recommend that the department, in regard to students covered by this audit, develop minimum standards for personalised learning plans for students in regular and special classes and use the results of these to guide service planning.

3.3 Is student progress reviewed?

Our assessment

Each school completes an annual review of the achievements of students with disabilities. We found variation between schools in how well review results were documented. Where documentation was poor, we found it difficult to judge what changes resulted from the review.

However, we observed in the schools we visited that principals, teachers and teachers' aides had responded positively to the challenges of educating students with disabilities and were committed to providing an inclusive environment where these students could achieve their potential.

Student progress and needs are reviewed each year

The achievements of each student with a disability need to be monitored and used to improve teaching and learning methods.

The department requires schools to complete an annual review for students with disabilities. The purpose of the annual review is to:

- focus on individual students
- support teaching and learning and reporting to parents
- ensure effective use of resources
- contribute to system wide planning, reporting and accountability.

Annual reviews are generally conducted by the learning support team.

Learning support teams may not have the necessary skills to assess student needs

Learning support teams are based in primary schools and play an important role in supporting students with disabilities. The teams consist of the principal or nominee, teacher or special class teacher and school counsellor. They may also include disability experts from the regional office. These teams complete the student's assessment for funding support and help review student progress in collaboration with the parents and carers.

Learning support teams can also identify any additional learning or support needs of staff

Teams, however, may not always have the necessary skills to judge student needs and progress particularly if the student is atypical or may not be able to access specialist support from the regions when they need it.

Exhibit 12: Teacher and teacher's aide in a special class



Source: Department of Education and Training 2006.

Outcomes of reviews are not always well documented

As part of its deliberations, the learning support team in collaboration with the parents or carers may decide that a student's needs have changed and either additional support is needed or support needs have decreased.

In practice, as a result of an annual review, a student may move from a special class to a regular class or vice versa, or attend sessions in both depending on the student's educational needs and particular abilities.

The review process is an essential part of identifying a student's changing needs and making sure the system responds to these changes.

We found, however, variation between schools in how well the results of annual reviews were documented. Where documentation was poor we concluded that it would be difficult for the department to judge what changes resulted from the review process, or to hold principals accountable for implementing changes proposed by the reviews.

We also found that the need for additional development or support for the student's teacher was not always well covered by the annual review.

Although the department has guidance on conducting these reviews, it does not have minimum operational requirements to ensure that teacher training needs are identified and that results are well documented.

Recommendation

We recommend that the department:

- establish minimum standards for annual student reviews including assessing teacher training needs and documenting outcomes
- establish a consistent approach to the operation and professional development of learning support teams.

4. Are special education programs successful?

At a glance

The key question we wanted to answer was:

Does the Department of Education and Training know whether its special education programs are successful?

Our assessment

Special education services are costly. In our view, due to the large sums involved, greater accountability is required both in terms of assessing needs and the use of resources to meet those needs.

Currently it is difficult to judge if special education programs are improving learning outcomes for students. Existing performance measures do not provide sufficient information to monitor, manage and review special education programs. Some other jurisdictions appear to handle this issue better than New South Wales.

Since 2004, the department has been implementing changes to special education programs to improve support to students with disabilities. Reforms include monitoring the educational outcomes of most students with a disability on the same basis as other students, that is, statewide testing of basic skills.

A range of mechanisms exist to obtain feedback from peak bodies. However, no formal feedback is obtained from students, parents and carers on the quality of special education services. Only limited feedback is sought from principals and teachers.

4.1 Does the department monitor and review performance?

Our assessment

Currently it is difficult to judge if special education programs are successful in improving learning outcomes for students. Although the current Disability Action Plan (2004-2006) specifies performance measures, these measures are not sufficient to monitor, manage and review special education programs.

Since 2004, the department has been implementing changes to special education programs to improve support to students with disabilities. Better data collection and analysis at a school, regional and state level may help identify the more successful approaches to special education.

The department monitors the implementation of strategies

The department has developed performance indicators to monitor the achievement of a broad range of objectives in the Disability Action Plan and progress is reported in the annual report.

The department monitors service strategies, not results.

Exhibit 13: Extract from the Disability Action Plan	
Objectives	Performance measures
Promote inclusive practice in education and training through professional learning	Disability awareness learning programs delivered to staff
Increase the awareness of opportunities for students with disabilities	Activities published on the website and school calendars
Increase the capacity of school staff to provide appropriate educational programs	Training materials available to staff and support provided
Parents/carers and students with disabilities are aware of the full range of enrolment options	Individual students are monitored regularly
Strengthen procedures in schools for supporting students with disabilities	Planning strengthened in regions and schools and processes improved for reviewing students

Source: Department of Education and Training, Disability Action Plan, 2004 to 2006.

These performance indicators do not tell the department whether or not special education services are successful in assisting students to achieve educational and social outcomes.

Recent efforts have been made to assess student outcomes

Since 2005, the department has captured the results of students with disabilities who required special provisions such as use of a reader, writer, Braille papers and extra time to complete the statewide Basic Skills Tests. Being able to isolate these results will allow the department to track the progress of these students and monitor trends in their educational outcomes.

Schools review the performance of each student with a disability every year and report results to parents or carers in line with the department's policy on reporting.

Regions and schools do not always review or monitor program outcomes

Regions use different program monitoring and review practices. One of the regions we visited had conducted its own review to assess the quality of special education programs and whether systems were in place to identify and address student needs.



Exhibit 14: Program review of mental health classes

In 2005, one of the regions we visited reviewed classes for students with mental health problems in five schools.

The review looked at:

- referral, placement and monitoring practices in schools and regional offices to ensure student needs were met
- early identification strategies
- whether learning needs of teachers were met
- whether schools shared best practice strategies on mental health programs to improve services.

Results indicated that:

- delays in student placements had occurred with placements sometimes taking several months
- there was no consistent approach to monitoring students and providing feedback to parents and carers
- teachers needed to be better trained and equipped to deal with students with mental health problems
- guidelines on operating mental health classes needed to be updated
- most schools did not have individual learning programs for students.

The region used the results to plan services for 2006 and to improve practices.

Source: Audit Office research.

Performance indicators are used elsewhere

Education providers in other jurisdictions have developed performance indicators to monitor and manage these services.

Exhibit 15: Performance indicators used in other jurisdictions

Other jurisdictions have performance indicators in place to monitor and manage special education services. Examples include:

- achievement of students in statewide tests or individual programs
- retention rate
- suspension and expulsion rates
- use of resources
- student time in integrated settings
- individual education plans: percentage of students with individual educational plans and reviews of plan quality
- assessments completed within set time limits
- parent or carer satisfaction with services
- parent or carer participation in preparing student plans.

Source: Audit Office research.

Recommendation	<p>We recommend that the department:</p> <ul style="list-style-type: none">▪ develop a suite of performance indicators to monitor special education programs at a school, region and state level▪ report on special education results and outcomes at a school, region and state level▪ encourage regions to review aspects of its special education services in primary schools.
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4.2 Is performance improving over time?

Our assessment	<p>We cannot judge whether special education services have improved as there has been no mechanism in place to measure results.</p>
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Schools and regions have been given greater responsibility to manage special education resources. In our view, there is a need for appropriate monitoring arrangements to ensure accountability for service quality, equity and access. This work has not been completed.

Performance agreements should include outcomes	<p>Regional and school education directors oversee the performance of schools within their region. We were advised that there is nothing in the performance agreements for these positions that specifically relates to the provision of special education services.</p>
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There are no indicators to monitor services in schools	<p>The school education director conducts the primary Principals' Annual Review. Although these discussions may include the principal's achievements in providing special education services, there are no specific aspects that the principal needs to report on.</p>
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Recommendation	<p>We recommend that the department:</p> <ul style="list-style-type: none">▪ examine achievements in special education through the school's use of resources and outcomes as part of the primary Principals' Annual Review▪ include special education performance indicators and targets in the performance agreements of regional directors and school educational directors.
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4.3 Does the department obtain feedback from parents, carers and students?

Our assessment	<p>A range of mechanisms exists to obtain feedback from peak bodies. However, no formal feedback is obtained from students, parents and carers on the quality of special education services.</p>
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Peak bodies provide feedback on services	<p>The department has established specific forums to gather feedback about its special education operations including:</p> <ul style="list-style-type: none">▪ a Disability Community Consultative Committee, which discusses special education operations and programs▪ a Special Education Advisory Group to guide the implementation of changes to special education programs.
It would be useful to obtain the views of students, parents and carers	<p>The department has developed survey tools such as the Quality of School Life, which schools can use to get feedback from parents or carers and students on school services.</p> <p>However, we found that none of the schools we visited obtained feedback specifically on the quality of special education programs from students with disabilities or their parents or carers.</p> <p>In 2005 the department obtained feedback from principals on the quality of services provided by regions and head office. There were some questions on special education support, but not sufficient to judge the quality of service delivery.</p>
Recommendation	<p>We recommend that the department:</p> <ul style="list-style-type: none">▪ encourage schools to obtain feedback from students, parents and carers on the quality of special education programs as part of the annual student review▪ obtain feedback from teachers and principals on the quality of special education programs and use this to improve planning and service delivery.

Appendices

Appendix 1 About the audit

Audit objective The objective of this audit was to determine whether special education programs, provided by the Department of Education and Training, are available to students with moderate or severe disabilities attending primary schools and whether these programs meet student's needs.

Lines of inquiry In reaching our opinion against the audit objective, we sought to answer the following questions:

- does the department provide the right amount and right type of special education programs where needed?
- does the department provide special education programs that meet the needs of individual students?
- does the department know whether its special education programs are successful?

Audit criteria In answering the lines of inquiry, we used the following audit criteria (the 'what should be') to judge performance. We based these standards on current research and guidance on best practice. They have been discussed, and wherever possible, agreed by those we are auditing.

For line of inquiry 1, we assessed the extent to which the department:

- has developed criteria that identifies students in need of special education support and the type of assistance required
- monitors the demand for special education by type of assistance needed, location and model
- provides special education assistance that matches data on demand
- monitors whether students receive special education services that meet their needs and is responsive to gaps in service delivery.

For line of inquiry 2, we assessed the extent to which:

- the department assesses the specific needs of students with confirmed disabilities
- students are matched to special education services that meet their needs and can access these services in a timely manner
- the department reviews each student's progress regularly and adjusts special education programs accordingly.

For line of inquiry 3, we assessed the extent to which the department:

- has developed performance indicators, standards, benchmarks and targets to monitor the performance of special education programs on a statewide, regional, school or individual student basis
- regularly reviews performance information to judge whether special education programs meet the needs of students and achieve goals
- meets performance expectations and performance is improving over time

- obtains feedback from parents and carers, students and stakeholders about their satisfaction with special education services and uses this feedback to improve services.

Audit scope

This audit focussed on special education programs for students enrolled in a regular primary school who have been confirmed as having moderate and severe levels of disability in learning because of:

- sensory impairment
- intellectual functioning
- physical functioning
- psychological functioning.

This audit did not examine:

- special education programs provided to students who are:
 - undertaking technical and further education
 - attending high schools
 - attending schools for specific purposes
 - academically gifted and talented
 - in juvenile detention or hospital schools
- learning assistance and related programs for students with language disorders, mild intellectual disabilities and learning difficulties
- specific equity education programs targeting students who identify as Aboriginal, are geographically isolated, from low socio economic status or non English speaking backgrounds
- provision of special equipment and technology
- provision of special transport services.

Audit approach

We acquired subject matter expertise through:

- interviewing staff from the department and relevant stakeholders
- engaging the services of a consultant, Professor Luanna Meyer, Professor of Education (Research) at Victoria University, Wellington, New Zealand.
- reviewing and analysing relevant laws, data, documents and guidelines on special education
- researching good practice elsewhere.

We visited three regional offices, Northern Sydney, Western Sydney and Riverina representing metropolitan and rural/remote areas to examine the operational side of special education services.

Within each region we visited a sample of primary schools providing special education services (primary schools with and without special classes). We also visited a special school to gain an understanding of this service model.

The audit team also visited the Victorian Department of Education and Training to gain an understanding of special education services in that State.

Audit selection We use a strategic approach to selecting performance audits which balances our performance audit program to reflect the issues of interest to Parliament and the community. Details of our approach to selecting topics and our forward program are available on our website.

Audit methodology Our performance audit methodology is designed to satisfy Australian Audit Standards AUS 806 and 808 on performance auditing, and to reflect current thinking on performance auditing practices. We produce our audits under a quality management system certified to Australian Standards ISO 9001. Our processes have also been designed to comply with the auditing requirements specified in the Public Finance and Audit Act 1983.

Acknowledgements We gratefully acknowledge the co-operation and assistance provided by the Department of Education and Training. In particular we wish to thank our liaison officers Brian Smyth King and Robyn McKerihan and staff who participated in interviews, and provided other material relevant to the audit.

We also thank stakeholders who contributed to the audit including: NSW Parents and Citizens' Federation; NSW Primary Principals' Association; NSW Secondary Principals' Council; the NSW Teachers Federation and Family Advocacy.

Audit team Our team leader for the performance audit was Steve Sullivan, who was assisted by Bettina Ocias and Angelina Pillay. Jane Tebbatt provided direction and quality assurance.

Audit cost Including staff costs, printing costs and overheads, the estimated cost of the audit is \$353,000.

Appendix 2

Glossary

Annual student review	A formal review meeting held at least once a year for students with disabilities who receive support through special education programs.
Curriculum	The skills, performances, attitudes, and values pupils are expected to learn from schooling: includes statements of desired pupil outcomes, descriptions of materials, and the planned sequence that will be used to help pupils attain the outcomes.
Demand	A parent or carer in collaboration with the department can elect to enrol their child with disabilities in a special class or a regular class in a regular primary school or a special school. Demand is the number of requests received for each service model.
Disability	A disability results in a loss or reduction in ability to function day to day caused by one or combination of impairments including intellectual disability, physical disability, vision impairment, hearing impairment, mental health problem or autism (see also appendix 3).
Disability Consultative Committee	A key mechanism by which the Department consults with the disability community on matters associated with education and training.
Disability Program Consultant	A senior education officer who manages and coordinates targeted disability programs in the region.
District Guidance Officer (DGO)	A DGO supports school counsellors and works with school staff, parents or carers to improve student learning and behaviour.
Early intervention	Programs that support children with disabilities or severe difficulties in learning or behaviour, aged from three years old to school entry.
Funding support	Funding provided to schools to support students with disabilities enrolled in regular classes.
Inclusion	The opportunity for students with disabilities to attend a less restricted setting for all or part of their schooling.
Personalised learning plan	A plan developed for students with disabilities that outlines the student's goals, and the teaching strategies, resources, and support needed to enable the student to meet those goals.
Key learning areas	The Board of Studies develops the key learning areas from Kindergarten to Year 12, and includes english, mathematics, science and technology, human society and its environment, personal development, health and physical education, and creative arts.
Learning support team	A team formed at a primary school to address the learning needs of students with disabilities through the coordination, development, implementation and evaluation of educational programs. The core members of the learning support team are the school principal or nominee, the student's teacher, and the school counsellor.

Regional Placement Panel	A panel formed to assess student applications for enrolment to special schools, special classes or other support programs in the region.
Regional Funding Support Committee	The committee that verifies whether applications for funding support meet program guidelines, and confirms that the student support needs cannot be met from existing school or regional resources.
School counsellor	A teacher with postgraduate qualification in psychology who provides counselling and psychological assessments for students and provides specialist advice and support to teachers of students with disabilities.
Special school	Special schools provide programs for students who require intensive level of support.
Special education programs	These programs provide extra assistance, modifications to learning environments, specialised equipment or materials to support students with disabilities access an education.
Teacher's aide	A person employed by a school who works with the classroom teacher to support a student with disabilities in the classroom or the playground.

Appendix 3 Disability criteria

Intellectual disability	<p>To meet the criteria for mild intellectual disability, students must have a full-scale IQ score of approximately two to three standard deviations below the mean on an approved individual test of intelligence. There must be information on the assessment of adaptive skills and school performance (where applicable) consistent with, or below this range of scores.</p> <p>To meet the criteria for moderate intellectual disability, students must have a full-scale IQ score of approximately three to four standard deviations below the mean on an approved individual test of intelligence. There must be information on the assessment of adaptive skills and school performance (where applicable) consistent with, or below this range of scores.</p> <p>To meet the criteria for severe intellectual disability students must have a full-scale IQ score of approximately four standard deviations or more below the mean on an approved individual test of intelligence. There must be information on the assessment of adaptive skills and school performance (where applicable) consistent with, or below this range of scores.</p>
Mental health problems	<p>Students must exhibit behaviour(s) that is characteristic of mental health problems at a level of frequency, duration and intensity that seriously affects their educational functioning and emotional well-being. Students must have a current report from a specialist medical practitioner or registered psychologist which details the nature of the behaviour(s).</p>
Hearing impairment	<p>Students must have a current audiogram and report from Australian Hearing which indicates a sensori-neural or permanent conductive hearing loss of 30 decibels or more in both ears.</p>
Vision impairment	<p>Students must have a current diagnosed vision impairment, which details a permanent vision loss that is 6/24 or less in the better eye corrected, or less than 20 degrees field of vision. A report is required which indicates that the student requires additional support to access the curriculum in alternative formats or with significant modification of materials.</p>
Deaf/blind	<p>Students must have a vision and hearing impairment, both at levels that severely impact on their ability to learn, and which result in unique educational needs. In particular, these students will require an alternative means of communication (generally a tactile system) and/or highly specialised technology to facilitate their communication.</p>
Autism	<p>Students with autism must have a current report from a specialist medical practitioner or registered psychologist. The report must detail the nature of the student's disorder. Documented evidence must indicate a developmental disability affecting verbal and non-verbal communication and social interaction, that significantly affects the child's ability to learn.</p>

Physical disability The student must have a current physical condition involving the motor system that significantly limits the student's level of functioning and independence in mobility, personal care, and/or ability to physically undertake essential learning tasks. A report is required from a specialist medical practitioner.

Language Students must have an assessed receptive or expressive language disorder which is documented within a current speech pathologist's report. The report must indicate that the disorder significantly affects communication and diminished the capacity to achieve academically.

Source: Department of Education and Training 2003.

Performance Audits by the Audit Office of New South Wales

Performance Auditing

What are performance audits?

Performance audits are reviews designed to determine how efficiently and effectively an agency is carrying out its functions.

Performance audits may review a government program, all or part of a government agency or consider particular issues which affect the whole public sector.

Where appropriate, performance audits make recommendations for improvements relating to those functions.

Why do we conduct performance audits?

Performance audits provide independent assurance to Parliament and the public that government funds are being spent efficiently and effectively, and in accordance with the law.

They seek to improve the efficiency and effectiveness of government agencies and ensure that the community receives value for money from government services.

Performance audits also assist the accountability process by holding agencies accountable for their performance.

What is the legislative basis for Performance Audits?

The legislative basis for performance audits is contained within the *Public Finance and Audit Act 1983, Part 3 Division 2A*, (the Act) which differentiates such work from the Office's financial statements audit function.

Performance audits are not entitled to question the merits of policy objectives of the Government.

Who conducts performance audits?

Performance audits are conducted by specialist performance auditors who are drawn from a wide range of professional disciplines.

How do we choose our topics?

Topics for performance audits are chosen from a variety of sources including:

- our own research on emerging issues
- suggestions from Parliamentarians, agency Chief Executive Officers (CEO) and members of the public
- complaints about waste of public money
- referrals from Parliament.

Each potential audit topic is considered and evaluated in terms of possible benefits including cost savings, impact and improvements in public administration.

The Audit Office has no jurisdiction over local government and cannot review issues relating to council activities.

If you wish to find out what performance audits are currently in progress just visit our website at <www.audit.nsw.gov.au>

How do we conduct performance audits?

Performance audits are conducted in compliance with relevant Australian standards for performance auditing and operate under a quality management system certified under international quality standard ISO 9001.

Our policy is to conduct these audits on a "no surprise" basis.

Operational managers, and where necessary executive officers, are informed of the progress with the audit on a continuous basis.

What are the phases in performance auditing?

Performance audits have three key phases: planning, fieldwork and report writing.

During the planning phase, the audit team will develop audit criteria and define the audit field work.

At the completion of field work an exit interview is held with agency management to discuss all significant matters arising out of the audit. The basis for the exit interview is generally a draft performance audit report.

The exit interview serves to ensure that facts presented in the report are accurate and that recommendations are appropriate. Following the exit interview, a formal draft report is provided to the CEO for comment. The relevant Minister is also provided with a copy of the draft report. The final report, which is tabled in Parliament, includes any comment made by the CEO on the conclusion and the recommendations of the audit.

Depending on the scope of an audit, performance audits can take from several months to a year to complete.

Copies of our performance audit reports can be obtained from our website or by contacting our Office Services Manager.

How do we measure an agency's performance?

During the planning stage of an audit the team develops the audit criteria. These are standards of performance against which an agency is assessed. Criteria may be based on government targets or benchmarks, comparative data, published guidelines, agencies corporate objectives or examples of best practice.

Performance audits look at:

- processes
- results
- costs
- due process and accountability.

Do we check to see if recommendations have been implemented?

Every few years we conduct a follow-up audit of past performance audit reports. These follow-up audits look at the extent to which recommendations have been implemented and whether problems have been addressed.

The Public Accounts Committee (PAC) may also conduct reviews or hold inquiries into matters raised in performance audit reports. Agencies are also required to report actions taken against each recommendation in their annual report.

To assist agencies to monitor and report on the implementation of recommendations, the Audit Office has prepared a Guide for that purpose. The Guide, *Monitoring and Reporting on Performance Audits Recommendations*, is on the Internet at <www.audit.nsw.gov.au/publications/better_practice/better_practice.htm>

Who audits the auditors?

Our performance audits are subject to internal and external quality reviews against relevant Australian and international standards. This includes ongoing independent certification of our ISO 9001 quality management system.

The PAC is also responsible for overseeing the activities of the Audit Office and conducts reviews of our operations every three years.

Who pays for performance audits?

No fee is charged for performance audits. Our performance audit services are funded by the NSW Parliament and from internal sources.

For further information relating to performance auditing contact:

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Performance Audit Reports

No	Agency or Issues Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
79	TAFE NSW	<i>Review of Administration</i>	6 February 2001
80	Ambulance Service of New South Wales	<i>Readiness to Respond</i>	7 March 2001
81	Department of Housing	<i>Maintenance of Public Housing</i>	11 April 2001
82	Environment Protection Authority	<i>Controlling and Reducing Pollution from Industry</i>	18 April 2001
83	Department of Corrective Services	<i>NSW Correctional Industries</i>	13 June 2001
84	Follow-up of Performance Audits	<i>Police Response to Calls for Assistance The Levying and Collection of Land Tax Coordination of Bushfire Fighting Activities</i>	20 June 2001
85*	Internal Financial Reporting	<i>Internal Financial Reporting including a Better Practice Guide</i>	27 June 2001
86	Follow-up of Performance Audits	<i>The School Accountability and Improvement Model (May 1999) The Management of Court Waiting Times (September 1999)</i>	14 September 2001
87	E-government	<i>Use of the Internet and Related Technologies to Improve Public Sector Performance</i>	19 September 2001
88*	E-government	<i>e-ready, e-steady, e-government: e-government readiness assessment guide</i>	19 September 2001
89	Intellectual Property	<i>Management of Intellectual Property</i>	17 October 2001
90*	Intellectual Property	<i>Better Practice Guide Management of Intellectual Property</i>	17 October 2001
91	University of New South Wales	<i>Educational Testing Centre</i>	21 November 2001
92	Department of Urban Affairs and Planning	<i>Environmental Impact Assessment of Major Projects</i>	28 November 2001
93	Department of Information Technology and Management	<i>Government Property Register</i>	31 January 2002
94	State Debt Recovery Office	<i>Collecting Outstanding Fines and Penalties</i>	17 April 2002
95	Roads and Traffic Authority	<i>Managing Environmental Issues</i>	29 April 2002
96	NSW Agriculture	<i>Managing Animal Disease Emergencies</i>	8 May 2002
97	State Transit Authority Department of Transport	<i>Bus Maintenance and Bus Contracts</i>	29 May 2002
98	Risk Management	<i>Managing Risk in the NSW Public Sector</i>	19 June 2002
99	E-Government	<i>User-friendliness of Websites</i>	26 June 2002

No	Agency or Issues Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
100	NSW Police Department of Corrective Services	<i>Managing Sick Leave</i>	23 July 2002
101	Department of Land and Water Conservation	<i>Regulating the Clearing of Native Vegetation</i>	20 August 2002
102	E-government	<i>Electronic Procurement of Hospital Supplies</i>	25 September 2002
103	NSW Public Sector	<i>Outsourcing Information Technology</i>	23 October 2002
104	Ministry for the Arts Department of Community Services Department of Sport and Recreation	<i>Managing Grants</i>	4 December 2002
105	Department of Health Including Area Health Services and Hospitals	<i>Managing Hospital Waste</i>	10 December 2002
106	State Rail Authority	<i>CityRail Passenger Security</i>	12 February 2003
107	NSW Agriculture	<i>Implementing the Ovine Johne's Disease Program</i>	26 February 2003
108	Department of Sustainable Natural Resources Environment Protection Authority	<i>Protecting Our Rivers</i>	7 May 2003
109	Department of Education and Training	<i>Managing Teacher Performance</i>	14 May 2003
110	NSW Police	<i>The Police Assistance Line</i>	5 June 2003
111	E-Government	<i>Roads and Traffic Authority Delivering Services Online</i>	11 June 2003
112	State Rail Authority	<i>The Millennium Train Project</i>	17 June 2003
113	Sydney Water Corporation	<i>Northside Storage Tunnel Project</i>	24 July 2003
114	Ministry of Transport Premier's Department Department of Education and Training	<i>Freedom of Information</i>	28 August 2003
115	NSW Police NSW Roads and Traffic Authority	<i>Dealing with Unlicensed and Unregistered Driving</i>	4 September 2003
116	NSW Department of Health	<i>Waiting Times for Elective Surgery in Public Hospitals</i>	18 September 2003
117	Follow-up of Performance Audits	<i>Complaints and Review Processes (September 1999) Provision of Industry Assistance (December 1998)</i>	24 September 2003
118	Judging Performance from Annual Reports	<i>Review of Eight Agencies' Annual Reports</i>	1 October 2003

No	Agency or Issues Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
119	Asset Disposal	<i>Disposal of Sydney Harbour Foreshore Land</i>	26 November 2003
120	Follow-up of Performance Audits NSW Police	<i>Enforcement of Street Parking (1999) Staff Rostering, Tasking and Allocation (2000)</i>	10 December 2003
121	Department of Health NSW Ambulance Service	<i>Code Red: Hospital Emergency Departments</i>	15 December 2003
122	Follow-up of Performance Audit	<i>Controlling and Reducing Pollution from Industry (April 2001)</i>	12 May 2004
123	National Parks and Wildlife Service	<i>Managing Natural and Cultural Heritage in Parks and Reserves</i>	16 June 2004
124	Fleet Management	<i>Meeting Business Needs</i>	30 June 2004
125	Department of Health NSW Ambulance Service	<i>Transporting and Treating Emergency Patients</i>	28 July 2004
126	Department of Education and Training	<i>School Annual Reports</i>	15 September 2004
127	Department of Ageing, Disability and Home Care	<i>Home Care Service</i>	13 October 2004
128*	Department of Commerce	<i>Shared Corporate Services: Realising the Benefit including guidance on better practice</i>	3 November 2004
129	Follow-up of Performance Audit	<i>Environmental Impact Assessment of Major Projects (2001)</i>	1 February 2005
130*	Fraud Control	<i>Current Progress and Future Directions including guidance on better practice</i>	9 February 2005
131	Follow-up of Performance Audit Department of Housing	<i>Maintenance of Public Housing (2001)</i>	2 March 2005
132	Follow-up of Performance Audit State Debt Recovery Office	<i>Collecting Outstanding Fines and Penalties (2002)</i>	17 March 2005
133	Follow-up of Performance Audit Premier's Department	<i>Management of Intellectual Property (2001)</i>	30 March 2005
134	Department of Environment and Conservation	<i>Managing Air Quality</i>	6 April 2005
135	Department of Infrastructure, Planning and Natural Resources Sydney Water Corporation Sydney Catchment Authority	<i>Planning for Sydney's Water Needs</i>	4 May 2005
136	Department of Health	<i>Emergency Mental Health Services</i>	26 May 2005
137	Department of Community Services	<i>Helpline</i>	1 June 2005
138	Follow-up of Performance Audit State Transit Authority Ministry of Transport	<i>Bus Maintenance and Bus Contracts (2002)</i>	14 June 2005

No	Agency or Issues Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
139	RailCorp NSW	<i>Coping with Disruptions to CityRail Passenger Services</i>	22 June 2005
140	State Rescue Board of New South Wales	<i>Coordination of Rescue Services</i>	20 July 2005
141	State Budget	<i>In-year Monitoring of the State Budget</i>	28 July 2005
142	Department of Juvenile Justice	<i>Managing and Measuring Success</i>	14 September 2005
143	Asset Management	<i>Implementing Asset Management Reforms</i>	12 October 2005
144	NSW Treasury	<i>Oversight of State Owned Electricity Corporations</i>	19 October 2005
145	Follow-up of 2002 Performance Audit	<i>Purchasing Hospital Supplies</i>	23 November 2005
146	Bus Transitways	<i>Liverpool to Parramatta Bus Transitway</i>	5 December 2005
147	Premier's Department	<i>Relocating Agencies to Regional Areas</i>	14 December 2005
148	Department of Education and Training	<i>The New Schools Privately Financed Project</i>	8 March 2006
149	Agency Collaboration	<i>Agencies Working Together to Improve Services</i>	22 March 2006
150	Follow-up of 2000 Performance Audit	<i>Fare Evasion on Public Transport</i>	26 April 2006
151	Department of Corrective Services	<i>Prisoner Rehabilitation</i>	24 May 2006
152	Roads and Traffic Authority	<i>The Cross City Tunnel Project</i>	31 May 2006
153	Performance Information	<i>Agency Use of Performance Information to Manage Services</i>	21 June 2006
154	Follow-up of 2002 Performance Audit	<i>Managing Sick Leave in NSW Police and the Department of Corrective Services</i>	29 June 2006
155	Follow-up of 2002 Performance Audit	<i>Regulating the Clearing of Native Vegetation</i>	19 July 2006
156*	Fraud Control	<i>Fraud Control Improvement Kit: Meeting Your Fraud Control Obligations</i>	20 July 2006
157	Roads and Traffic Authority	<i>Condition of State Roads</i>	16 August 2006
158	Department of Education and Training	<i>Educating Primary School Students with Disabilities</i>	September 2006

* Better Practice Guides

Performance audits on our website

A list of performance audits tabled or published since March 1997, as well as those currently in progress, can be found on our website www.audit.nsw.gov.au. If you have any problems accessing these reports, or are seeking older reports, please contact our Office Services Manager on (02) 9275 7116.