

FOLLOW UP OF THE AUDITOR GENERAL'S 2012 FINANCIAL AUDIT REPORT

Organisation: Department of Premier and Cabinet
Name: Mr Chris Eccles
Position: Director General
Date Received: 17/06/2013



Premier & Cabinet

2013-187383

13 JUN 2013

Jonathan O'Dea MP
Chair
Legislative Assembly
Public Accounts Committee
Parliament of New South Wales
Macquarie Street
SYDNEY NSW 2000

Dear Mr O'Dea

I write in response to your letter of 17 May 2013 requesting a submission from the Department of Premier and Cabinet to recommendations of the Auditor-General's 2012 Financial Audits.

Attached is the Department's response which includes actions taken.

If you require any further information, please contact Mr John Clark, Assistant Director General, Corporate Services on [REDACTED]

Yours sincerely

Chris Liddle
Director General

2012 Financial Audits – Implementation of repeat recommendations

RECOMMENDATION	ACCEPTED OR REJECTED	ACTIONS TAKEN	DUE DATE	STATUS (completed, on track, delayed) and COMMENT	RESPONSIBILITY (Section of agency responsible for implementation)
All agencies should:					
1 Define their recovery requirements and ensure these are reflected in disaster recovery plans for financial systems.	Accepted	<p>a) DPC has an approved Business Recovery Plan for its in-house financial systems. The plan includes: details of the required recovery activity to be undertaken; the position responsible for each activity; contact details of the position; the time required for each activity to be completed; and resources required to ensure effective recovery.</p> <p>b) Financial systems are provided to DPC by ServiceFirst, a third party provider. To ensure the appropriateness of the ServiceFirst Disaster Recovery Plan, ServiceFirst subjects the Plan to an annual review by a consultant in conjunction with the</p>	<p>The Business Recovery Plan has been implemented. It is reviewed annually.</p> <p>A Disaster Recovery Plan has been implemented and is reviewed annually.</p>	Completed	Corporate Services
					ServiceFirst

			Department of Finance and Services.					
2	Ensure disaster recovery plans are tested periodically.	Accepted	<p>a) DPC's Business Recovery Plan is tested annually and updated where necessary. DPC's Business Continuity Program including the ServiceFirst Disaster Recovery Plan was also reviewed by Deloitte during 2012.</p> <p>b) ServiceFirst subjects its Disaster Recovery Plan to an annual review by a consultant in conjunction with the Department of Finance and Services. ServiceFirst has provided an assurance letter to DPC advising that the annual review and testing confirmed the effectiveness of the Disaster Recovery Plan.</p>	<p>The Business Recovery Plan is tested annually.</p> <p>The Disaster Recovery Plan is tested annually.</p>	Completed	Completed	Corporate Services	
3	Revise their information security management framework to align with Premier's Memorandum M2012-15 Digital Information Security Policy.	Accepted	DPC has developed an Information Security Management System framework and is in the process of implementing this system across the	31 July 2013 – 1 st Progress report to the ICT Board. 1 January	In Progress		Corporate Services	

			<p>Department in alignment with M2012-15.</p> <p>The initial implementation of an information security classification system based on the Australian Government Information Security Guidelines Version 1.0 – July 2011, is currently being rolled-out within the Department's electronic document and records management system.</p> <p>An initial risk assessment and information classification has been undertaken of all DPC information assets and work commenced on assessing the controls for these assets.</p>	<p>2014 – DPC wide information classification system implemented.</p> <p>30 June 2014 – first annual attestation of information security compliance in Annual Report.</p>		
4	Enhance agency compliance with information security procedures and guidelines to focus on appropriate user access requirements including segregation	Accepted	<p>DPC has a number of policies / controls to define user access requirements and segregation of duties.</p>	December 2013	In Progress	Corporate Services

	of duties and security configurations.		<p>DPC works with the shared services provider, ServiceFirst, to implement these controls.</p> <p>In October 2012 an Internal Audit was undertaken of IT Security. The Department is currently working through the implementation of the recommendations.</p>	30 June 2014	In progress	Corporate Services
5	Consider information security requirements during new system implementations and business process changes.	Accepted	<p>DPC has an IT project management framework implemented which incorporates security, risk and quality requirements.</p> <p>This will be incorporated within the Department's Information Security Management System as part of the implementation of M2012-15.</p>			