Internal Audit Recommendations

Quarter 4 2021-2022

- Not Updated
- Outstanding
- Not Commenced
- On Track
- Completed

Asset Management

Actions in detail

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
AM 2.1.1	Asset Maintenance	Develop and implement proactive asset maintenance plans/ systems for the asset categories of plant and equipment inside the Asset Management Plans.	Manager Works	30/06/2022	Null	Outstanding	90%	Whilst work in this sector is progressing this activity will not be completed as further changes are being considered that will require additional time.
AM 2.1.3.2	Asset Maintenance	Provide additional training and or support on the use and benefits of adopted corporate systems and or appropriate mobile software solutions (Open Spaces).	Director Infrastructure Services	31/12/2022	30/06/2022	Completed	100%	Training has occurred around use of Reflect as part of the implementation of the Open Space asset management plan. Staff training around new Tree Hazard Assessment software has been rolled out and the tool will now used for inspections and maintenance tasks . Training in corporate asset maintenance systems is being rolled out to operational staff is being rolled out as opportunities arise.
AM 2.1.3.3	Asset Maintenance	Provide additional training and or support on the use and benefits of adopted corporate systems and or appropriate mobile software solutions (Utilities).	Manager Utilities	31/12/2022	Null	On Track	40%	Null
AM 2.1.4.1	Asset Maintenance	Prepare asset maintenance plans inside the Asset Management Plans that link to the existing Facilities / Operational Plans for the: a) Myocom Resource Recovery Centre (Tip).	Director Infrastructure Services	30/06/2022	Null	Outstanding	45%	Action deferred until 2022/23 owing to flood event. Asset Management Team commenced working on Asset Management Plan for the Resource Recovery Centre. Site inspection, update of assets lists and mapping were all underway. Some damage to assets at the Resource Recovery Centre as result of flood and storm events which will need to be incorporated into Asset management Plans and future works.

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AM 2.1.4.2	Asset Maintenance	Prepare asset maintenance plans inside the Asset Management Plans that link to the existing Facilities / Operational Plans for the: b) Myocum Quarry facility.	Director Infrastructure Services	30/06/2022	Null	Outstanding	50%	Full review of quarry operations, consent compliance rehabilitation requirements and future use considerations report prepared and presented to ET for subsequent reporting to Council which will inform any ongoing asset maintenance actions and development of the asset maintenance plans. Current management activities continue in line with licencing requirements and incident management testing and reporting has been carried out and provided to EPA. Maintenance plans are not yet embedded in Asset Management Plans.
AM 2.2.1	Asset Management Plans	Set clear targets and expedite the development, adoption, and implementation of the asset management plans, Sewer and Water which are in preliminary stages.	Manager Utilities	30/06/2022	Null	Outstanding	50%	Update not provided
AM 2.2.2	Asset Management Plans	Either develop, adopt, and implement a separate asset management plan for the assets at the Tip and Quarry facility or include these assets into the plans of other main asset categories.	Manager Works	30/06/2022	Null	Outstanding	40%	Waste assets and quarry assets being treated separately as sit within differing departments of Infrastructure Services. Refer Actions 2.1.4.1 and 2.1.4.2.

Cash Management

Actions in detail

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
CM 2.1.1	Policies and Procedures	Create a Council Cash Handling Policy or Procedure to ensure all locations that accept payment on behalf of Council are provided adequate guidance.	Manager Finance	30/12/2019	31/12/2022	Outstanding	50%	A procedure document has been developed but is currently being reviewed and will be submitted to the Executive Team for consideration prior to the end of calendar year 2022 once the 2022 financial statements have been completed and audited.

Customer Request Management

Actions in detail

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
CRM 2.2.1 (b)	Consolidated Customer Request Management System and Guidelines Actions	A consolidation of CRM improvement activities (CRM 2.2.1, 2.3.2, and 2.3.1) identified in previous open audit action items: • Sending a final response to customers when a request has been completed/closed • Not closing a request when it has been transferred to another application, (such as Reflect) until such time as it has actually been completed/closed • Avoiding duplication of information • Review of target days to complete tasks within each process • Configure the CRM application to automatically close a request upon completion of the last task • Consider including social media as a source option when entering a request.	Manager Business Systems and Technology	30/06/2021	01/05/2023	Outstanding	40%	Work is ongoing to improve the management of CRMs. Testing is underway to enable all CRMs to be captured in Council's Authority application. This will then support a "single source of truth for all customer requests and allow for improvements such as notifying customers of status changes.

Cyber Security

Actions in detail

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
CS 2.1.1	Penetration Testing	Council to scope annual penetration testing of Council systems based on a risk assessment of information assets held on each system. Whilst not every system has to be tested on an annual basis it is recommended that a schedule/program be maintained to ensure that all systems are tested on a rolling basis.	Manager Business Systems and Technology	31/12/2022	Null	On Track	30%	Council has engaged with Cyber NSW to complete an external penetration test
CS 2.2.1A	Cyber Risk Assessment and Risk Appetite Statement	Council to consider a refresh of its catalogue of IT risks, including increased consideration of cyber security risks. Furthermore, it is advised that the Council reviews the likelihood rating assigned to certain risks and reassess the risks based on to maintain a listing of top security threats it faces factoring in the business environment and operating conditions. This action is to be read in conjunction with CS 2.2.1B, per recommendation 2.2.1 of the audit review.	Manager Business Systems and Technology	30/06/2023	Null	On Track	15%	A technical risk register is now in development.
CS 2.2.1B	Cyber Risk Assessment and Risk Appetite Statement	This action is to be read in conjunction with CS2.2.1A, per recommendation 2.2.1 of the audit review. A risk appetite statement is to be defined and documented to ensure Council is clear on where they stand in terms of risk.	Strategic Contracts and Procurement Coordinator	30/06/2023	Null	Not Commenced	0%	This action has not yet commenced and is not due for completion until June 2023. The Strategic Risk Coordinator has recently commenced and will progress this action in due course.
CS 2.2.2	Cyber Risk Assessment and Risk Appetite Statement	Council to ensure that the risk register be reviewed and updated at least annually (or when major change occurs) to extend the existing coverage of risk to take into consideration developing or more recent Cyber Security threats.	Manager Business Systems and Technology	30/06/2023	Null	On Track	20%	A technical risk register is under development which will provide more granular assessments of security risks.

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
CS 2.3.1	Patch Management	Utilities should consider formalising documentation of its patching policy requirements and/or adhere to the policy documented by the wider Council. This should include processes for: • Assessment of patch criticality, • Deployment timeframes in accordance with assessed criticality levels, • Linkage to the change management process to ensure adequate record and approval of patch deployment. Utilities should also consider implementation of patch management/vulnerability scanning software to ensure that systems are scanned on a regular basis for known vulnerabilities/available patches and that these are implemented in accordance with the above.	Manager Utilities	30/06/2023	Null	Not Updated	0%	Null
CS 2.4.1	Utilities Shadow IT	Council to consider how to adequately manage and resource the Utilities IT environment such that cybersecurity controls are implemented and managed in accordance with Council requirements and risk profile.	Manager Utilities	30/06/2022	Null	Completed	100%	Discussions between Utilities and IT systems management decided that cyber security controls would be managed through the IT systems Team under Corporate Services. This ensures a consistent approach and value for money achieved
CS 2.5.1	Utilities Essential Eight Remediation	Utilities team should consider revisiting the findings from Shearwaters previous Essential Eight review to meet broader Council expectations in relation to compliance with the framework, with an initial focus on uplifting the maturity level zero controls identified.	Manager Utilities	30/06/2022	Null	Completed	100%	A proposed schedule for the essential 8 cyber security improvements has been developed.
CS 2.6.1	Policies and Procedure Review	For each document listed above, Council to review, update and / approve policies, procedures and guidelines as required. Policy documents should be reviewed and updated at least annually or after major changes in the environment.	Manager Business Systems and Technology	31/05/2022	02/05/2022	Completed	100%	Security standards have been reviewed by Manager Technology and Business Systems. Council policies will be reviewed as per their review schedule.

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
CS 2.7.1	Information Asset Register	Council to perform a risk based review of information assets and collate these into a centralised Information Asset Register. Information assets on the register should be mapped to sensitive information (e.g. personal information) and subsequent controls in place (e.g. inclusion in penetration testing, higher levels of restricted access and/or more stringent authentication requirements). The asset register can also be used to assist in the maintenance/disposal of data in line with relevant regulation or policies. Each Information asset should have ratings of criticality, sensitivity and stage of their life-cycle attached to them.\n\nThis register should be reviewed and updated on a regular basis to assist management in identifying potential security gaps or inefficiencies in Councils management of Information Assets.	Manager Business Systems and Technology	30/06/2023	30/06/2023	Not Commenced	0%	Improvement work due to commence FY 22/23
CS 2.8.1	Cyber Security Training	Management to provide and monitor completion of cyber security-related training by employees. This includes both training as part of Council's induction process as well as on a regular recurring basis as deemed appropriate by management. Training completion rates and uncompleted training statistics should be reported to senior management for follow-up and action.	Manager Business Systems and Technology	31/12/2022	Null	Not Commenced	0%	Improvements for training completion rates due to commence FY 22/23
CS 2.8.2	Cyber Security Training	Council to consider implementing regular provision of scenario-based exercises (e.g. simulated phishing campaigns) to refresh, expand and validate employee knowledge and familiarity of cyber security attacks.	Manager Business Systems and Technology	31/12/2022	Null	On Track	20%	Planning is underway for reporting of cyber training to help identify staff with incomplete cyber training. Periodic scenario-based cyber exercises will be implemented for all staff and contractors.

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
CS 2.9.1	Due Diligence for Cybersecurity Procurement	Council to develop procedures that satisfy requirements needed for the acquisition of cyber equipment and incorporate as part of the Procurement Guidelines.	Manager Business Systems and Technology	30/06/2023	Null	Not Commenced	0%	Council is in the process of implementing a new contract management framework and this issue will be considered in the context of the framework.
CS 2.9.2	Due Diligence for Cybersecurity Procurement	Council to develop procedures to reassess security controls of suppliers' annually (or as deemed necessary per the vendor risk assessment), especially for those vendors with access to any confidential or Personally Identifiable Information (PII) as assessed per Council's Information Asset Register.	Manager Corporate Services	30/06/2023	Null	Not Commenced	0%	This action will commence in the second quarter of 2022 and will be progressed in conjunction with Manager Business Information Systems and Technology.
CS 2.10.1	Application Whitelisting	Management to fully activate whitelisting configurations across Council once adequate review of Carbon Black reporting mode logs has been completed.	Manager Business Systems and Technology	30/06/2022	29/07/2022	Outstanding	80%	Server rollout for whitelisting control is progressing to plan. 58 servers are now in high enforcement mode.
CS 2.11.1	Server and Application Hardening Policy	Council to consider documentation of hardening standards/configurations implemented as part of the Server and Application Hardening processes beyond referencing the Essential 8 requirements.	Manager Business Systems and Technology	31/05/2023	Null	Not Commenced	0%	Documentation of hardening standards independent from referencing the Essential 8 requirements will be considered in the next scheduled review of Council's cyber security standards.
CS 2.12.1	Encryption Configurations	Council to consider formally documenting encryption configurations for all data at rest and in transit as part of policies and procedures.	Manager Business Systems and Technology	30/06/2023	Null	Not Commenced	0%	Encryption configurations will be formally documented.

Development Application Processes

Actions in detail

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
DAP 2.1.1	Policy Procedures	• Develop a comprehensive procedural document relating to the DA process. • Review and update all the outdated policies and procedures relating to DA process, incorporating the latest legislative and regulatory updates, and Developer Contribution processes (s94/94A & s64) as per internal audit recommendation DC 3.1.1. • After the completion of the above two actions, all the newly developed and updated policy and procedures will be formally disseminated among the relevant Council staff.	Manager Sustainable Development	30/06/2021	Null	Outstanding	30%	The manual is being prepared as an online/live document using Microsoft Teams. Draft and former procedures have been transferred for review and discussion with relevant staff. The completion will be delayed due to an external audit by the NSW Audit Office into the Development Assessment process. The finding are due to be handed down by the end of 2022. The procedure manual will be completed to a draft stage to await the findings of the external audit.
DAP 2.2.1	Quality Assurance Review	• Introduce an annual auditing process and incorporate auditing criteria and cycle in its DA procedure manual. • After the above two have been established, deliver refresher training to all the DA assessment staff before the peer reviewing process is implemented.	Manager Sustainable Development	30/06/2021	Null	Outstanding	5%	The completion date will be delayed to incorporate any changes recommended by the NSW Audit Office in relation to the Development Assessment process.

Stores (Inventory Management)

Actions in detail

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
IM 2.4.1	Use of Operational Manual	Management will: (a) review and adopt the existing "Works Depot Store Operational Manual" to reflect current inventory management processes and practices (including any identified improvements) for Council Stores; and (b) provide training and make the adopted document available on Council's intranet.	Manager Works	31/12/2021	04/04/2022	Completed	100%	Manual has been updated and will review when needed. CM E2015/33130

IT User Access

Actions in detail

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
IUA 2.1.1	Enhancements to User Understanding of Responsibilities Relating to Information Security Standards	It is recommended that the Manager Business Systems and Technology: • Confirm the approach for employees to understand their User Responsibilities, Management Responsibilities and IT Department Responsibilities; • Confirm the approach for contractors, consultants, and any other parties to understand their Responsibilities within the Information Security Standards, including forms and agreements; • Confirm the period which existing Users, Management and IT acquaint themselves of their respective responsibilities; • Confirm the date that existing Users, Management and IT will acknowledge their understanding of their responsibilities; • Implement a monitoring and attestation process to inform stakeholders of the operating effectiveness of key IT security controls; • Amend the IT Security - Personnel Management Standard to better manage the expectations of staff for understanding relevant aspects of Information Security Standards, as well as acquittances that should be obtained prior to being provided with access i.e. Acceptable Use; and • Apply this requirement to contractors, casuals, consultants and any other parties.	Manager Business Systems and Technology	30/06/2020	Null	Outstanding	75%	All improvement activities have been completed with the exception of a process to make contractors and consultants aware of their information security responsibilities

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
IUA 2.6.1	Exception Reporting for Segregation of Duties Monitoring	It is recommended that the Manager Business Systems and Technology: • Develop a list of "high risk" Authority configuration activity types; and • Develop exception reports for roles that contain the "high risk" configuration activity types that should either never be combined (or where enhanced exception reporting is required) if the one user-id is associated with "high risk" configuration activity types.	Manager Business Systems and Technology	31/03/2021	Null	Outstanding	0%	No progress has been made in this activity since the last update. This is due to competing work priorities.

Pay Parking Review

Actions in detail

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
PPR 2.1.3	Permit Review and Approval	Management to consider implementing a limit on the number of times a customer is able to apply for a permit online. Once this limit is reached, the customer must physically come into Council and apply through customer service.	Manager Corporate Services	30/06/2022	30/09/2022	Not Commenced	0%	Due to staffing changes including in both the Paid Parking Coordinator and the Customer Service Coordinator position this action will be progressed in Quarter 1 2022-23.
PPR 2.4.1	Reconciliation of Threshold Amounts	Management to remind staff members performing the reconciliation of the materiality thresholds and the associated escalation process.	Manager Finance	01/05/2022	Null	Completed	100%	Advice has been provided to staff about reporting any significant variances, in addition to normal reporting, to the stakeholder group where all variances will be provided.
PPR 2.4.2	Reconciliation of Threshold Amounts	Variance amounts identified as part of the cash and EFT reconciliation should be reported to the monthly stakeholder meeting, as noted in Finding 2.2.	Manager Finance	01/03/2022	Null	Completed	100%	A standing item has been included in the agenda template to ensure a report is presented to each stakeholder meeting on any variances identified. The updated Agenda template is at E2022/25575.

Procurement (Tendering)

Actions in detail

No.	Audit Report	Audit Recommendation	Authorising Officer Position	Due Date	Estimated Completion Date	Status	Progress	Comments
PT 2.1.3	Information Management and Record-keeping	Implement an annual review for a sample of tenders above $250,000 to check for adequate documentation, anomalies and non-compliances.	Manager Corporate Services	30/06/2022	31/12/2022	Not Commenced	0%	This activity has not commenced due to the Procurement Coordinator position being vacant for two months and then change in work priorities due to the natural disaster along with staffing changes and acting arrangements. This activity will commence in the second quarter of 2022-23.
PT 2.4.1	Procurement Training	Introduce procurement induction training and refresher training/awareness sessions to remind/upskill staff of their obligations and enhance their knowledge in relation to Council's Procurement Guidelines including: • recordkeeping requirements; the various procedures and checklists relating to tendering; • pre-tendering planning and documentation requirements including Tender Evaluation Plans, and • Declaration of Conflicts and Confidentiality requirements.	Manager Corporate Services	31/03/2022	31/12/2022	On Track	70%	Induction training continues to occur, two ICAC corruption in procurement workshops have been held with key staff, informal education has occurred with key staff, and updates to templates and implementation of new tender regulations have been communicated to staff (via email and intranet). The impact of the natural disaster on work priorities and staffing changes has resulted in delays to the review of the Procurement Guidelines, however many changes have been identified and will commence in first quarter of 2022-23.
PT 2.4.3	Procurement Training	Make the participation and completion of procurement training and awareness sessions mandatory for new starters through the induction process and ongoing refreshers, and before access to Council's online tendering platform is granted.	Manager Corporate Services	31/03/2022	31/12/2022	On Track	90%	The participation of induction sessions in procurement is now offered quarterly to all new starters (in conjunction with a risk and business continuity presentation). VendorPanel has advised that there is no mechanism to offer mandatory training prior to receiving access to the platform, however, the Strategic Contracts and Procurement Coordinator has been encouraging new users of VendorPanel to watch the instructional videos upon gaining access.